

JPRS 74461

26 October 1979

# West Europe Report

No. 1491



FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

## NOTICE

Effective 1 November 1979 a new JPRS serial report will be published entitled: WEST EUROPE REPORT: SCIENCE AND TECHNOLOGY. The report will provide information on national-level science policies, technology strategies, and research and development programs in West European science and technology in general and specifically in civil technology, with particular attention to transportation, energy, chemical manufacturing, industrial automation and technology transfer. The report will focus primarily on France and the Federal Republic of Germany, but will also cover important developments in Italy, the Netherlands, Sweden and other West European countries.

If you receive your JPRS publications through NTIS, you may wish to contact them concerning this new report.

If you receive your JPRS publications through a distribution control center, please contact them directly concerning your requirements.

<b>REPORT DOCUMENTATION PAGE</b>		<b>1. REPORT NO.</b> JPRS 74461	<b>2.</b>	<b>3. Recipient's Accession No.</b>
<b>4. Title and Subtitle</b> WEST EUROPE REPORT, No. 1491			<b>5. Report Date</b> 26 October 1979	
<b>7. Author(s)</b>			<b>6.</b>	
<b>9. Performing Organization Name and Address</b> Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201			<b>8. Performing Organization Rept. No.</b>	
<b>10. Project/Task/Work Unit No.</b>			<b>11. Contract(G) or Grant(G) No.</b> (C) (G)	
<b>12. Sponsoring Organization Name and Address</b>  As above			<b>13. Type of Report &amp; Period Covered</b>	
<b>14.</b>			<b>15. Supplementary Notes</b>	
<b>16. Abstract (Limit: 200 words)</b>  This serial report contains political/economic information on West European energy, finance and trade policy matters as well as developments and trends in the doctrine, programs and problems of the major communist parties, including their relations with communist parties outside the West European area. The report also contains information on Theater Nuclear Forces and elections to the European Parliament.				
<b>17. Document Analysis a. Descriptors</b>				
Political Science	<u>International Affairs</u>	<u>Iceland</u>		
Sociology	<u>Austria</u>	<u>x Italy</u>		
Propaganda	<u>Belgium</u>	<u>Luxembourg</u>		
Economics	<u>Canada</u>	<u>Netherlands</u>		
Energy	<u>Cyprus</u>	<u>Norway</u>		
Industry	<u>x Denmark</u>	<u>Portugal</u>		
Trade	<u>x Federal Republic of</u>	<u>x Spain</u>		
Finance	<u>Germany</u>	<u>x Sweden</u>		
Theater Nuclear Forces	<u>x Finland</u>	<u>Switzerland</u>		
	<u>x France</u>	<u>x Turkey</u>		
	<u>Greece</u>	<u>United Kingdom</u>		
<b>b. Identifiers/Open Ended Terms</b>				
<b>c. COSATI Field/Group</b> 5C, 5D, 10				
<b>18. Availability Statement</b> Unlimited Availability Sold by NTIS Springfield, Virginia 22161		<b>19. Security Class (This Report)</b> UNCLASSIFIED		<b>21. No. of Pages</b> 115
		<b>20. Security Class (This Page)</b> UNCLASSIFIED		<b>22. Price</b>



26 October 1979

## WEST EUROPE REPORT

No. 1491

## CONTENTS

PAGE

## COUNTRY SECTION

## DENMARK

Glistrup Prevails on All Points at Progressives' Congress (Various sources, various dates).....	1
Petersen Reelected Chairman	
Coming Election Fosters Unity, by Erik Meier Carlsen, Per Knudsen	
Junior Affair Debate Deferred	
Alarming 'Glistrup Steamroller', Editorial	
Twelve-Point Plan Revealed	
Conditions Stipulated for Government Cooperation	

## FEDERAL REPUBLIC OF GERMANY

Western Allies Show Little Interest in Nationalstiftung (Klaus Dreher; SUEDEDEUTSCHE ZEITUNG, 27 Sep 79).....	12
Federal Prosecutor Urges Stronger Action Against Terrorists (Rebmann; DER TAGESSPIEGEL, 27 Sep 79).....	14
Opposition Demands Reduced Taxation in Plank (DER TAGESSPIEGEL, 27 Sep 79).....	16
Schmidt Has Opportunity To Put Own Men in SPD Leadership (Conrad Ahlers; WIRTSCHAFTSWOCHE, 24 Sep 79).....	17
Lambsdorff Attacks 'Desolate Position' of CDU-CSU Economic Policy (Otto Graf Lambsdorff; DEUTSCHE ZEITUNG, 28 Sep 79)....	19
CDU-CSU Joint Campaign Unit Sets Out Social Policy Plank (Manfred Schell; DIE WELT, 28 Sep 79).....	21

# CONTENTS (Continued)

Page

CDU General Secretary Criticizes CSU (Geissler Interview; DER SPIEGEL, 8 Oct 79).....	23
North Rhine-Westphalian Local Elections: Trouble for SPD (DER SPIEGEL, 8 Oct 79).....	33
Trade Union Chief Discusses Coming Parliamentary Elections (Heinz Oskar Vetter Interview; DER SPIEGEL, 8 Oct 79).....	36
Private Institutes Assume Larger Role in Campaigns (Gerda Strack; FRANKFURTER RUNDSCHAU, 26 Sep 79).....	42
Briefs Bremen Campaign Disorders	45

## FINLAND

Year of Decision Ahead for Troubled Center Party (Anneli Sundberg; HELSINGIN SANOMAT, 30 Sep 79)....	46
New Course Needed Key Protagonists Named	
Conservatives Optimistic About 1980 Local Election Prospects (HELSINGIN SANOMAT, 30 Sep 79).....	53
Conservatives To Adhere to a 'Right-Center' Line (HELSINGIN SANOMAT, 24 Aug 79).....	56
Sorsa Joins Antibureaucracy Bandwagon (UUSI SUOMI, 19 Aug 79).....	58
Government Submits 1980 Budget to Parliament (HELSINGIN SANOMAT, 15 Sep 79).....	60
Business Organ Attacks 1980 Budget as 'Inflationary' (HELSINGIN SANOMAT, 16 Sep 79).....	67

CONTENTS (Continued)	Page
FRANCE	
Political Realinelements, Future of Center Left (Didier Bariani; LE MONDE, 13 Sep 79).....	70
ITALY	
PCI Reply to Czechoslovak Dissident's Appeal (RINASCITA, 10, 31 Aug 79).....	75
Reiman's Appeal to PCI Reaction to PCI Reply	
SPAIN	
New Off-Shore Drilling Sites (LA VANGUARDIA, 13 Sep 79).....	81
Industrial Situation Deteriorates, Orders Decrease (ABC, 13 Sep 79).....	82
Article Looks at Continued Inflationary Pressures (ABC, 7 Sep 79).....	84
SWEDEN	
Gothenburg Election Returns Reflect Nationwide Pattern (Editorial; SVENSKA DAGBLADET, 19 Sep 79).....	87
Possible Government Alternatives Weighed (Ake Lundqvist; DAGENS NYHETER, 19 Sep 79).....	90
Social Democrats' Cautiousness May Have Cost Them Election (Olof Petersson; DAGENS NYHETER, 18 Sep 79).....	93
Major Challenge for Conservatives Still Ahead (Editorial; DAGENS NYHETER, 19 Sep 79).....	97
TURKEY	
Easterners Strive To Establish New Party (Saygi Ozturk; HURRIYET, 18 Sep 79).....	99

## CONTENTS (Continued)

## Page

New Bill Would Reduce Period of Military Service (MILLIYET, 24 Sep 79).....	101
Demirel Reasserts Desire for Constitutional, Electoral Change (Engin Karadeniz; CUMHURIYET, 24 Sep 79).....	102
Columnist Scores Government for Food Shortages (Burhan Felek; MILLIYET, 20 Sep 79).....	104
'GUNAYDIN' Statistics on Anarchistic Incidents (GUNAYDIN, 26 Sep 79).....	106
Alp Opposes Worker Participation in Management (MILLIYET, 22 Sep 79).....	107
Sukan Resurrects Lockheed Scandal (CUMHURIYET, 21 Sep 79).....	108
THY, Olympic Airways Support New Aegean Airspace Talks (Mustafa Gursel; MILLIYET, 22 Sep 79).....	110

## GLISTRUP PREVAILS ON ALL POINTS AT PROGRESSIVES' CONGRESS

Petersen Reelected Chairman

Copenhagen BERLINGSKE TIDENDE in Danish 1 Oct 79 p 7

[Text] After a long debate which revealed great differences of opinion the Progressive Party at its national congress yesterday re-elected A. Roland Petersen of Vejby as national chairman, in other words as the organizational leader of the party. There were 1013 delegates entitled to vote on the matter and he received 508 votes. However it is worth noting that his closest opponent, member of parliament Anker Tang Sorensen, received as many as 452 votes.

Anker Tang Sorensen was elected to the executive committee with 410 votes along with Poul Sustmann Hansen of Glostrup who received 179 votes. They will replace Ivar Lauritzen of Auning and Niels Hoeck of Frorup who did not run for re-election to the executive committee.

The fight for the national chairmanship reflected to some extent the internal discussion in the party between the "hard liners" who do not want to compromise the original ideals of the party and the "soft liners" who would be willing to embark on a compromise policy. Tang Sorensen is regarded as being a "soft liner."

Tang Sorensen himself said yesterday that in his view FRP [Progressive Party] should have a foreman with political experience and some ability to define the profile of the party. He placed a great deal of emphasis on the work of local societies and stated his willingness to combat any move toward centralist leadership of the party.

Member of parliament Kirsten Jacobsen said she was opposed to double mandates and for that reason she opposed the election of Tang Sorensen. Several speakers made the point that it would be very unfortunate under any circumstances to change the national chairman 3 weeks before the parliamentary election and a majority seemed to back this view.

## Coming Election Fosters Unity

Copenhagen INFORMATION in Danish 1 Oct 79 pp 1, 10

[Article by Erik Meier Carlsen and Per Knudsen]

[Text] The Glistrup line triumphed on all points in the showdown with the more cooperative wing in the party.

Both politically and organizationally the leader of the Progressive Party, Mogens Glistrup managed to get what he wanted at the party's national congress this weekend.

Despite a clearly defined opposition that included close to half of the delegates the so-called soft line suffered a decided defeat.

Both the demand for more decentralization in the decision-making process of the organization and the desire for a more moderate political line toward other non-socialist parties did not have a chance of winning.

A real political debate was impossible due to the format of the national congress and the way it proceeded and against that background the hard-line wing won on the three issues that had threatened to split the party prior to the congress.

In the first place the executive committee's decision not to allow member of parliament Jorgen Junior to run in the upcoming election will stand--even though a majority of the party's parliamentary group still finds the decision both "unwise and unnecessary."

Second, national chairman A. Roland Petersen was re-elected with 508 votes in a contested election in which the opposing soft-line candidate, member of parliament A. Tang Sorensen, received 452 votes.

And third Mogens Glistrup maintained that he would continue to write for the right-wing extremist paper, DANSKE TIDENDE.

The matter of Jorgen Junior was brought up at an executive committee meeting last night with the newly-elected member of the group, A. Tang Sorensen, calling for reconsideration of the decision. But before the meeting Mogens Glistrup told INFORMATION that it was "100 percent certain" that Jorgen Junior would not be forgiven.

### Consequences

"I am through in Danish politics," said Jorgen Junior who feels that the executive committee's decision will harm the party.

The first reactions came as early as last night when the secretary of the party's parliamentary group, Lise Simonsen, threatened to resign the post in protest against Junior's treatment.

At the same time several municipal and county council members announced that they would leave the party.

The chairman of the party's parliamentary group, Ove Jensen, told INFORMATION he would have preferred to have the executive committee soften its stand on Junior but on the other hand he now feels the matter is definitely closed.

Along with Kristen Poulsgaard, Leif Glensgaard and other prominent members of parliament the group chairman said that now it was time to concentrate on the upcoming election campaign.

### Manipulation

The hard liners made use of the campaign situation to suppress internal debate.

"The important thing is for this national congress to exhibit great unanimity to the outside world," was a statement heard repeatedly from the rostrum at Falkoner Center in Copenhagen.

The election was also the reason given for changing the agenda on the very first day of the congress, Saturday morning.

Party leader Mogens Glistrup was allotted an hour and a quarter in which to talk about the party's campaign strategy, which meant in actuality that there was no time for a political debate.

Aside from a number of members of parliament--all from the hard-line wing--picked out in advance by the executive committee to present party policy in a variety of areas only a few delegates had a chance to speak.

The political report made by the chairman of the parliamentary group, Ove Jensen, was not followed by any debate either.

In his speech to the congress Mogens Glistrup said the campaign had got off to a false start "because people began by fighting over who would be driving around in ministerial limousines.

"But," said the leader of the Progressive Party, "the issue of ministers is entirely subordinate under any circumstances.

"The Progressive Party is willing to enter into negotiations with anyone at all without any kind of ultimatum concerning discussion rules on this

matter or that," said Glistrup who called the non-socialist four-leaf clover "pure bluff."

"This is a peculiar situation which came about when Henning Christophersen, while his Social Democratic bed was still warm, tried to move over to a new nest, a new bed, in order to lay his cuckoo eggs.

"But this Poul Hartling apprentice will not succeed in his efforts. This roaming around which the viewers of the nation were able to witness between 2102 and 2103 hours Friday night must weaken any belief that anything good for the country can be expected from that quarter," said Mogens Glistrup.

"We are not going to issue a blank check to the other non-socialist parties," the party leader went on and he noted in that connection that it was the failure of a VKR [Liberal-Conservative-Radical] coalition government that led to the formation of the Progressive Party in the first place.

Glistrup's hard line on the VCQM [Liberal, Conservative, Christian People's and Democratic Center] parties was opposed Saturday afternoon by the soft liners' candidate for national chairman, A. Tang Sorensen.

Since nobody was sure when a political debate would take place Tang Sorensen had to "smuggle" his speech in under the topic of "labor policy." That is why he began his remarks like this:

"Labor market policy, social policy, economic policy, municipal policy. All are part of the democratic process in this democracy. The reason the entire population of Denmark is so interested in this national congress is that this is a fateful moment for Danish society.

"The approaching election is one of the most important elections in this century. Let it be a good election and not a fatal one for our party. Let us make an enormous effort to sell our policies and make them understood by broad groups of people. Denmark needs a different government. We need a government that is not led by the socialists.

"The election on 15 September 1977 presented the Progressive Party with a hopeless task in parliament. The SV [Social Democratic-Liberal] coalition made it even more hopeless. The Progressive Party can introduce a new parliamentary epoch if we are equal to the task after 23 October," Tang Sorensen said.

#### Life Insurance for Social Democrats

But at the conclusion of the national congress yesterday Mogens Glistrup maintained his line toward the non-socialist parties. He said that it



would be the fault of the four-clover parties themselves if Denmark gets another Social Democratic government after the election on 23 October.

"Schluter and others in the clover have been interested in ministerial posts but now they have realized that this won't happen under the conditions they had imagined. The Progressive Party is not acting as life insurance for the continuation of Social Democratic rule, the four-leaf clover parties are doing that themselves," said Mogens Glistrup before he was greeted at the conclusion of the congress with rhythmic clapping, an indication that he is the undisputed leader of the Progressive Party.

#### Articles for DANSKE TIDENDE

Even though one of the arrangers of the congress, auditor Henrik Warburg, had forbidden discussion of Mogens Glistrup's writings for the right-wing extremist paper, DANSKE TIDENDE, Glistrup had to answer a direct question about the paper Sunday afternoon.

"I am not a neo-Fascist," he said. "No Progressive people have any tendencies whatever towards neo-Fascism. We place the individual above the state. The opposite of Fascism is called the Progressive Party," he said.

On the other hand Glistrup felt only the red color distinguished Fascism from communism. He maintained that he would present FRP viewpoints in all newspapers and periodicals.

But many delegates won hearty applause for condemning DANSKE TIDENDE which Knud Blaabjerg called the "ear boxers' garbage dump" while member of parliament Kirsten Jacobsen, referring to the party's slogan on personal freedom, said that the party should respect the fact that its members held differing views with regard to DANSKE TIDENDE.

#### Chairmanship Election

The other main event on Sunday was the showdown over the chairmanship.

In his speech the re-elected A. Roland Petersen placed the greatest stress on the effective energy of the executive committee while opposing candidate A. Tang Sorensen emphasized his wish for a sharper party profile and more influence for local organizations instead of central direction.

In the following debate Roland Petersen's supporters warned against shifting the national chairman just before an election while Tang Sorensen's backers felt that if he were national chairman he would be able to create greater trust in the party and increase its credibility.

But Tang Sorensen had to settle for a place on the six-man executive committee to which two members were elected. Along with Tang Sorensen Sustumann Hansen was elected. The terms were 3 and 2 years respectively.

## Repetitions

With regard to political content the national congress was a repetition of the well-known viewpoints of the Progressive Party.

"We say the same thing we did when the party started," said Mogens Glistrup and against that background he gave the delegates to the congress the following advice:

"Go all over Denmark and get a half million votes for the Progressive Party."

## Junior Affair Debate Deferred

Copenhagen INFORMATION in Danish 1 Oct 79 p 10

[Text] Late Sunday evening the executive committee of the Progressive Party decided that the question of whether member of parliament Jorgen Junior is a "worthy" candidate should be postponed indefinitely.

Campaign leader Mogens Glistrup has told Jorgen Junior that the postponement means that Junior cannot run in the upcoming election on 2. October.

In a surprise move Glistrup changed his position on the matter during the executive committee meeting.

Just before the meeting Glistrup told INFORMATION that it was "100 per-cent" certain that Junior would not be a candidate and that this issue had been definitely decided with the decision of the old executive committee to exclude Junior.

Now however he feels that Junior should be allowed to run in the upcoming election and that a stand could be taken later on his "worthiness."

But Glistrup was in the minority at the executive committee meeting where the vote was four to two in favor of postponing the matter.

"I regard this remarkable decision as an insult to the delegates at the national congress as well as to me," Jorgen Junior said late last night to INFORMATION.

"There are limits to how long I can put up with this ridiculous treatment. I am seriously considering my position in the party."

## Alarming 'Glistrup Steamroller'

Copenhagen INFORMATION in Danish 1 Oct 79 p 1

[Editorial]

[Text] "It's the longest piece of drivel I ever heard," said a Christiansborg reporter with long training when Mogens Glistrup gave the Progressive Party national congress an "in-depth orientation on the election situation," as the director of the congress put it.

The campaign leader droned on for an hour and a quarter, apparently with the intention of cutting into the time for the political debate which was on the agenda.

This idiotic speech was only one of many ways in which the campaign leader and his gang of deliberately brutal "hard liners" steamrolled the opposition at the congress. Before the congress Glistrup's gang had apparently realized that some kind of compromise might be necessary with the large majority of the parliamentary group and a large number of delegates who wanted to clean up the party and render it capable of cooperation.

However this does not mean that Glistrup has any serious intention of making compromises. Everything he considered involved compromises on details which could keep the summer rebellion under control.

Such as forgiving a Jorgen Junior or accepting a recommendation to keep away from DANSKE TIDENDE. But that wasn't even necessary.

With the setting of the election the Glistrup-dominated executive committee felt secure enough to follow the hard line.

The agenda was changed so that Glistrup's remarks curtailed the political debate. Directors were chosen for the congress who without the slightest deference to the opposition cut off all attempts to discuss the Junior issue or DANSKE TIDENDE.

The minority "hard liners" in the parliamentary group were allowed to make almost all the political speeches and the meeting ended with a panel discussion where with a single exception the position of the Progressive Party was represented by hard liners alone.

The opposition to Glistrup's hard line comes primarily from people elected by the people. This group is in the majority in the parliamentary group and has considerable support among party representatives on county and municipal councils.

These are people who feel uncomfortable among their political colleagues in the non-socialist parties when Glistrup acts provocatively and blocks opportunities for cooperation. These are people who are tired of many years of "political hopelessness" who want to "gain influence and get results."

The soft liners were more weakly represented at the congress even though they numbered close to half of the assembly in the contested election for the post of national chairman. But their numerical strength is not decisive for Mogens Glistrup. They are weak politically and have no real alternative to the Glistrup line. They are not really capable of criticizing the party program and slogans backed by Glistrup and his people on any essential points. All they want to do is cooperate.

But Mogens Glistrup is not prepared to cooperate. In his long droning speech he undoubtedly revealed, as is often the case when someone runs off at the mouth, some of his most inward thoughts when he compared the situation of the party after the election with the situation that led to its inception.

In an editorial Saturday the newspaper that completely dominated the desk space of the delegates to the congress, JYLLANDS POSTEN, wrote about "FRP's Opportunity." The editorial was an urgent appeal to the majority of the parliamentary group to stand firm:

"Hopefully this majority along with the big majority of delegates to the congress can put a stop to Glistrup's madness," the paper wrote. In this context "Glistrup's madness" refers to the remarks he made at the beginning of the campaign suggesting that he might indirectly support the formation of another Social Democratic minority government.

When in the course of his long speech Glistrup counterattacked this editorial he spoke of the risk that the situation that created the Progressive Party, namely the failure of a non-socialist government in political terms, could also be the death of the party if the Progressive Party jumped on the bandwagon.

Perhaps the victory the Glistrup gang won at the congress by its steamroller tactics was a Pyrrhic victory. Perhaps it will be impossible to convince party voters one more time that in a given situation their votes would not be used to bring a non-socialist government to power.

Perhaps it will be impossible at the next congress to steamroller an assembly of delegates the same way.

But that is far from being a sure thing.

Glistrup's steamroller tactics and his irreconcilable political style are inseparable. And his opponents in the party are as soft as their name.

The national congress was a humiliating experience for these soft liners. Despite their dominant position in the parliamentary group and considerable backing at the congress they couldn't get one foot off the ground. That doesn't promote self-confidence. Some of the soft liners will have had enough already and will quit the party. And those left will during the campaign see Glistrup's current political line justified by the corresponding irreconcilable behavior of the four-leaf clover parties necessitated by tactical moves.

The minority government that will probably be the result of the election, whether Social Democratic or non-socialist, will confront almost insoluble problems and the policies adopted cannot fail to provide continued nourishment to the protest stance of the Progressive electorate.

Glistrup will hold his forces in reserve for some time to come. They can only be used in earnest if the political confusion and weakness of the majority in parliament reach the same extent as the confusion and weakness exhibited by the Progressive people who are willing to cooperate.

Then Glistrup will steamroller all of us.

#### Twelve-Point Plan Revealed

Copenhagen BERLINGSKE TIDENDE in Danish 30 Sep 79 p 13

[Text] The delegates to the Progressive Party congress at Falkoner Center in Frederiksberg gave good support to the 12-point plan the party revealed a few days ago and which now represents the FRP election program. The party wants this "plan to save Denmark" to serve as the point of departure in future negotiations on cooperation in parliament. Among other things the plan calls for no taxation on the first 38,000 kroner of personal income, a 5 percent wage reduction due to the cost level, an increase in the pension to 3000 kroner a month, a 20 percent reduction of public spending as early as 1980, restrictions on unemployment subsidies and rejection of OD [Economic Democracy] plans.

The implementation of this plan would mean--in the view of the chairman of the FRP parliamentary group, Ove Jensen--that wage earners would receive better real wages, businesses would have their wage expenses reduced, people receiving state pensions would have better economic conditions and in a very short time unemployment and interest debt would be unheard of.

"But history will issue a hard judgment on the SV government which was created for the purpose of bringing order into the economy of the nation



and then proceeded to make matters much worse in all areas," Ove Jensen said.

"The best solution to the government question would be to have the Progressive Party as the biggest opposition party and the only real one form the first Progressive government after the election," he said to applause. "The second best solution would be to have a government made up of the non-socialist parties who in all likelihood will win a majority in the parliamentary election."

#### Conditions Stipulated for Government Cooperation

Copenhagen BERLINGSKE TIDENDE in Danish 30 Sep 79 p 13

[Text] The Progressive Party is willing to cooperate in parliament but will not unconditionally support other parties. At the national congress of the party which began yesterday at Falkoner Center in Frederiksberg with 1200 participants, a congress entirely dominated by the election campaign, the party's founder and campaign leader Mogens Glistrup went in great detail into the party's election program, the so-called "plan to save Denmark," and the chances for being in the cabinet after the election.

"The Progressive Party is prepared without issuing any prior ultimatums to negotiate with anyone at all concerning solutions to the problems of the nation," he said. But he found it "purely academic"--and thus unimportant--to talk about forming a coalition government with the Social Democrats since this party is not capable of governing.

On the restoration of the four-leaf clover cooperation among the Liberals, Conservatives, Democratic Center and Christian People's Party Glistrup said that with the Social Democratic bedding still warm Henning Christophersen was rushing over to a new bed in order to deposit his cuckoo eggs there. "This Poul Hartling apprentice will not succeed. This kind of running around erodes all credibility." During the campaign we will be presented with the bluff of the four-leaf clover parties maintaining that they have the solution to the problems of the country and FRP is supposed to react by saying, "All right, we'll vote for you."

"But we will not be lured into giving a blank check to the non-socialist parties," Glistrup added in this context. "We will cooperate but on equal terms."

#### No to All OD Ideas

In his speech Mogens Glistrup rejected all forms of OD: "Recently there have been public debates as to whether we should distribute the excess

wealth according to Thomas Nielsen's or Henning Christophersen's ideas. This is a discussion for pedantic formalists. The important thing is to give Danish businesses a tremendous boost before we start on these OD fantasies. The very fact that these ideas are being considered is dangerous since under these circumstances many businesses are afraid to invest and create new jobs."

Glistrup also rejected the idea of a price and wage freeze. That kind of thing would paralyze business life in his view. The really dangerous income policy was in the state sector. Here was where incomes should be reduced. If people really wanted to save Denmark they should quickly provide cuts of around 50 billion kroner so that this money could be transferred from public to private consumption. "It is an out and out lie that this would destroy social preparedness. We can easily provide good care for the sick, the old, the handicapped even if we cut the worst cream off the top of public expenditures." Glistrup also pointed out that the automatic cost-of-living regulation actually served to check wage increases and for that reason he wanted it retained.

Glistrup was heartily applauded by the gathering.

6578

CSO: 3106

## WESTERN ALLIES SHOW LITTLE INTEREST IN NATIONALSTIFTUNG

Munich SÜDDEUTSCHE ZEITUNG in German 27 Sep 79 p 4

[Report by editorial staff member Klaus Dreher: "Art Between the Political Fronts"]

[Text] Federal Chancellor Willy Brandt might have saved all those involved much grief if, in his government statement of 1973 suggesting the comprehensive promotion of the arts, he had refrained from using the term "Deutsche Nationalstiftung" [German National Institution] and mentioning the Institution Prussian Cultural Heritage in Berlin. Though nobody has any basic objections to the project, it has been shuffled back and forth for the last 6 years. Millions have been collected, the parties have quarrelled about it, resolutions were adopted, the question of prestige raised its head, the Allies were consulted, cultural sovereignty was batted around--and the arts did not benefit from any of it.

In their talk with the Federal Chancellor set for Friday next the minister presidents want to try and take one step forward. Following discussions between the Federal Ministry of the Interior and the Laender there seems to be at least some hope for agreement on naming the advisory council of the institution. The principle adopted here is parity; unanimity is to be required for all decisions. The actual shape of the institution presents greater difficulties. In the meantime all parties, including the opposition, have acknowledged that it will be imperative to relinquish the grandiloquent title "German National Institution" if any progress at all is to be made. According to the latest of several proposals the funds are to be administered by trustees. This would get away from the national institution, and the term "trusteeship" means that the provisional state of affairs will last until the political situation has changed. However, the Laender representatives were informed by the Interior Ministry that there are "Allied reservations and suggestions for changes" even concerning this type of institution. One of these suggestions is to the effect that the charter is to avoid any reference to the national institution, Berlin is not mentioned, the Federal Republic not described as the whole and promotion of the "East German cultural heritage" (as listed in Brandt's government statement) omitted. So far, though, the Union led Laender



and the CDU/CSU parliamentary group have not been able to learn whether these reservations were in fact raised by the authorized agencies. They suspect that the Allies proffered exactly the reservations which the Federal Government wanted them to put forward. Of course the Western Allies are not interested in provoking a clash with the Soviets for the sake of a cultural institution. On the other hand, a link with the Institution Prussian Cultural Heritage infringes neither the spirit nor the text of the Berlin Agreement. The institution is not much more than a distribution center: It administers the DM25 million which the Federal Government and the Laender provide (both sides shouldering half the expense), and it decides how the money is to be spent. While the Soviets may use this as a pretext, they cannot really object with any justification. Berlin's situation--to quote the Berlin Treaty--is not "unilaterally changed" thereby. Bonn must remember that this situation may be changed for the worse vis-a-vis the Federal Republic if the latter practices a kind of "preventive good behavior."

11698

CSO: 3103

## FEDERAL PROSECUTOR URGES STRONGER ACTION AGAINST TERRORISTS

West Berlin DER TAGESSPIEGEL in German 27 Sep 79 p 8

[Report of speech by Federal Prosecutor General Rebmann to the German Judges Conference]

[Text] At the German Judges Conference in Essen Federal Prosecutor General Rebmann yesterday asked for stronger laws against terrorists. He called for new provisions regarding the criminal prosecution of those who recommend violence, the prevention of long delays engineered by defense counsel, the limitation of the indictment of terrorists and the actual abolition of the requirement for defendants to be present at the trial. This brought Rebmann into conflict with Federal Justice Minister Vogel who, the day before, had emphasized that the Federal Government did not want any new antiterrorist laws. Rebmann opined that more attacks must be expected, despite the present calm.

Rebmann said that the five new antiterrorist laws enacted since 1974 had considerably improved the conditions of the fight against terrorism. No "dismantling of the constitutional state" had taken place. He did, though, criticize the superior Land courts handling the trials: in his opinion they should give greater consideration to the concerns of the federal prosecutor's office and allocate more time per week to the trials. The provisions on the expansion of searches and checks had helped reveal many terrorist acts in the planning stage. By "distinguished work and praiseworthy efforts" the Federal Criminal Bureau had succeeded in infiltrating the terrorist groups. Rebmann considered indispensable the law banning contacts, which was introduced during the Schleyer kidnap affair. The same applies to the possibility for excluding defense counsel from the proceedings. He called "particularly helpful" the possibility of excluding defendants from their own trial if they made themselves incapable of attendance by going on hunger strike. Still, not even that is enough; a law must be provided, which would permit proceedings in the absence of defendants who refuse to attend their own trial. Now some of the defendants are trying to achieve this by abusing the judges.

Rebmann rejects preventive detention of terrorist first offenders, which was proposed by some politicians. He considers of no value an increase in the

maximum sentence from 15 to 20 years, because terrorists are not deterred thereby. He also considers unnecessary a "state witness law"; the daily operation of his agency has demonstrated that it is possible even without legally mandated impunity for "renegades" to motivate former terrorists to accuse their former comrades.

In contrast to earlier views Rebmarn thinks that the exclusion of defense counsel for sabotaging the trial is not required. It would be better to introduce a "procedural abuse clause" permitting judges to reject submissions without explanation, because they "obviously or quite evidently contribute nothing to the ascertainment of the truth."

The Federal Prosecutor General also asked to be enabled by a new law to "pre-indict" terrorists, that is to take arrested offenders to court to be tried on easily proven charges and consequently kept in custody. After that investigations of more serious offenses can proceed at leisure.

Dortmund attorney Krekeler contradicted Rebmarn. He said that the politicians already "exceeded the necessary severity" by way of the antiterrorist laws. He claimed that the Federal Republic had suffered a "change in trend, operating against the liberal aspects of the constitutional state."

Gerhard Loechner, head of the antiterrorism section at the Federal Prosecutor General's office, said that terrorists in the Federal Republic have killed 29 people. They attempted to murder 108 more. Of the criminals involved 108 are in prison, 18 of those arrested are dead, 42 are being sought. The "RAF" [Red Army Faction] continues to build up its logistics and prepares new attacks. However, the authorities have "regained the initiative." That is why no serious terrorist attacks have occurred since the fall of 1977.

11698  
CSO: 3103

## OPPOSITION DEMANDS REDUCED TAXATION IN PLANK

West Berlin DER TAGESSPIEGEL in German 27 Sep 79 p 8

[Text] At yesterday's meeting of the strategy committee the heads of the CDU and CSU have agreed on taking the initiative in the Bundestag and the Bundesrat about relieving from the "hidden tax increases" caused by inflation and progression all those who pay tax in 1980. On the other hand family relief measures such as the introduction of child exemptions--in addition to child care exemptions--and the extension of maternity benefits to non-wage earning women is to be delayed until 1981.

As reported by General Secretaries Geissler (CDU) and Stoiber (CSU) after the meeting, the other CDU/CSU Land governments intend to adhere to the conception introduced by Bavaria and Baden-Wuerttemberg, according to which the proportional tax rate for the wages and income tax is to be reduced from 22 percent to 21 percent and the progression flattened especially for middle incomes. The tax package envisioned by the Union would, according to Geissler, cause an annual revenue loss estimated at DM6.5 billion. The introduction of child exemption is assessed at another DM1.5 billion, the extension of maternity benefits now amounting to DM500 per month to some 250,000 "just housewives" at DM700 million.

At the committee meeting the CSU submitted the draft of a long-range family promotion program. Energy policy was discussed but no conclusions were arrived at so far. The minister president members of the CDU/CSU intend to continue their discussions today in order to coordinate their attitudes in time for the Federal Government-Laender talk next Friday at the Federal Chancellery.

Agreement was also reached on appointing a smaller body to coordinate the Bundestag election campaign, because the 18-man strategy committee is considered too unwieldy.

11698  
CSO: 3103

## SCHMIDT HAS OPPORTUNITY TO PUT OWN MEN IN SPD LEADERSHIP

Duesseldorf WIRTSCHAFTSWOCHE in German 24 Sep 79 p 22

[Article by Conrad Ahlers: "The New Crew"]

[Text] Several coincidences have enabled the Federal Chancellor in time for the beginning of the election year to adopt or prepare decisions regarding personnel, which largely correspond to his own wishes. They relate to such different but significant jobs involved in the implementation of German politics as that of deputy SPD chairman, president of the Bundesbank and departmental head of foreign and defense policy in the Chancellery.

The settlement of personnel issues is always and everywhere a delicate business, in politics as well as in the economy. Mistakes are inevitable. But by and large Helmut Schmidt has been quite lucky. He maintains amicable relations with his immediate staff, Minister of State Klaus-Juergen Wischniewski and State Secretaries Klaus Boelling and Manfred Schueler. The atmosphere in this group is friendly, just as it was in the period 1969-1972 in the similar group led by Willy Brandt. The majority of federal ministers appointed by Helmut Schmidt have also done well. Outstanding here are the Minister of Defense and the Minister of Finance. Schmidt considers both of them, Hans Apel as well as Hans Matthoefer, as possible successors.

Soon, and as a matter of fact unexpectedly, Minister of State Wischniewski will be the prime candidate for the succession to the SPD party chairmanship should Willy Brandt retire in 1982. In December Wischniewski is to be elected deputy party chairman together with Helmut Schmidt, because Bremen Mayor Koschnick voluntarily and just as unexpectedly waived his claim to the job. Consequently Helmut Schmidt's right hand will be moving into the Erich-Ollenhauer Building, the guarantor of closer cooperation between party and government in the election year. As a former SPD federal executive secretary "Ben Wisch" is a man of the rank and file and of the party apparatus. He and Schmidt are linked by commitment to common sense, without ideological blinkers. Though Karl Otto Poehl, last week officially nominated by the Cabinet to be the new Bundesbank president, has been a member of the SPD for more than 25 years, he is anything but a "rigid comrade." Poehl belongs to

the party's liberal wing. He has always opposed any system-changing trends and preferred market economic principles. When he was section chief in the Chancellery, he sounded an early alarm regarding the dangers of devaluation and government borrowing.

After the 1972 elections Federal Finance Minister Helmut Schmidt appointed Poehl to be his state secretary. In the rampant inflation of the following years both learned their lesson and inflicted deep cuts on the general controls and massive economic incentives which they had earlier advocated. The ongoing international exchange of experiences made them realize that inflation is not a suitable means to maintain full employment but rather one of the prime causes of unemployment.

At that time of recurring foreign exchange crises Schmidt's health failed and Poehl suffered a severe blow due to the accidental death of his first wife. The two men became close friends in the course of their travels and by playing chess together. Helmut Schmidt was impressed by Poehl's "natural monetary talent" and his easy going temperament which went with self-confidence and serious involvement in other issues than the economy and the monetary system. The Chancellor was greatly pleased that Poehl was almost unanimously welcomed by the Bundesbank advisory board.

This tendency to deeply ponder problems is shared by Helmut Schmidt and particularly distinguishes the man who will soon enter the Chancellery as a foreign policy expert: Berndt von Staden, lately German Ambassador to Washington. It was formerly intended that von Staden should take charge of the EC Embassy in Brussels, but the diplomat assigned to the Chancellery by the Foreign Ministry was taken seriously ill, so that Helmut Schmidt was able to ask for von Staden whom he has long known and esteemed.

The 60-year old ambassador is in the top rank of German heads of mission. The scion of a Baltic family he began in the foreign service as an Eastern expert, was section chief in Bonn and worked a total of 10 years in Washington, 6 of them as ambassador. Berndt von Staden is an acute analyst rather than a fast operator, but he knows how to clearly and persuasively argue his views. He aims to help the Chancellor reduce his aversion to Washington, which has cast a shadow on German-American relations and continues to emerge, for example at last week's meeting with employers and unionists.

11698

CSO: 3103



LAMBSDORFF ATTACKS 'DESOLATE POSITION' OF CDU-CSU ECONOMIC POLICY

Bonn DEUTSCHE ZEITUNG in German 28 Sep 79 p 3

[Article by Otto Graf Lambsdorff, federal minister of economics: "Fissures, Trenches, Chasms in the Union Concept"]

[Text] This is the column where our contributors speak their minds, independent of editorial opinion.

The Union parties are intent on closing ranks for 1980. So far they have not succeeded in much more than the execution of a few rather clumsy steps, and it appears that the situation is unlikely to change much in the near future.

The frequently less than lukewarm support offered top candidate Franz Josef Strauss north of the Main, the stereotyped assurances of loyal aid to the man from Munich--these are most revealing. All the appeals for unity have an undertone of insecurity and poorly disguised unease; political virtues are emphasized, which ought to be entirely taken for granted. Of course this already points the finger at those who will be accused of having caused the fiasco due next year: If the Union fails, the northerners will be held responsible. They already know what they will then hear from the south, and that in turn does nothing to arouse their eagerness for the election campaign.

Nor is that the only issue paralyzing the two parties. Crucial political questions are also carving fissures, trenches and chasms through the Union scenery, and nobody now dares cross them. The nuclear disposal policy of the Lower Saxon minister president, unintelligible to all nor approved by anyone except himself, is obviously meeting with the resistance of all other Union Land governments.

Not that they say so in public. Just like the Federal Government, they also want the integrated disposal concept including recovery, and they refuse (though not for that reason alone) to establish intermediate disposal sites for nuclear waste in their Laender. But that is precisely the recommendation of Minister President Albrecht who has shown an uncanny instinct for falling between stools--especially those occupied by his Union confreres.

Normally that would concern nobody but the parties themselves. There is a danger, though, that their fratricidal strife might cause an additional delay in the necessary build-up of nuclear power, thereby affecting all of us. For the time being, in any case, it does not seem that there will be a generally tolerable agreement between the CDU and the CSU.

The desperate situation of the Union parties is most evident and obvious when we consider the confusion in their concept of government finance, tax reductions and planned new expenditures. Two weeks ago Professor Biedenkopf gave a speech in the Bundestag (justifiably and widely commented). He submitted some speculations on the public debt, which require serious answers. Yet whom does Biedenkopf represent? Certainly not the CDU because precisely when he called for drastic reductions in government borrowing and complained of alleged sociopolitical excesses, the social committees of his party issued what amounts to an ultimatum, asking for government educational subsidies which would cost another DM9 billion per annum. Nor does he speak for the CSU when he asks for radical cuts in the public debt here and now, while his party friends in north and south demand tax reductions for 1980, which would arrive at the least favorable point in time imaginable from the aspect of economic policy.

Biedenkopf is well aware of all this but fails to reconcile any of these contradictions. What he wants and calls for has nothing to do with Union budget and growth policies. He is lost in a vacuum, and his party friends will leave it at that. In fact, if he were to be consistent, he would soon have to establish his own party. After 1980 he may have to think along these lines.

Before that, though, the voters will consider their verdict. And many will probably arrive at the conclusion that this policy (if it is one) is hardly so attractive as now (understandably) pictured by the Union.

11696

CSO: 3103



## CDU-CSU JOINT CAMPAIGN UNIT SETS OUT SOCIAL POLICY PLANK

Bonn DIE WELT in German 28 Sep 79 p 2

[Article by Manfred Schell, Bonn: "Union Still Sees 'A Great Deal of Air' in the Budget"]

[Text] Following the tax and family promotion decisions of the CDU/CSU strategy committee the budget experts of the Bundestag party group are now beginning to calculate the details of the financial effects of the decisions and to prepare suggestions for the current budget debate. It seems that the Union intends mainly to submit to critical examination the research funds stashed in various sections. One budget expert thought that a great deal of "air" was left in several sections of the DM115 billion 1980 budget.

According to the agreement reached by the strategy committee the CDU/CSU Bundestag party and the Union majority in the Bundesrat will support the motion already submitted by Bavaria and Baden-Wuerttemberg, which calls for a roughly DM6.5 billion reduction in hidden tax increases in the coming year. The draft legislation on tax relief also includes a proposal to reduce from the present 22 percent to 21 percent the tax rate in the proportional initial tax bracket.

In addition to tax relief the CDU/CSU also wants to initiate another set of legislation by which housewives, self-employed women and women helping in family businesses would, like gainfully employed women now, receive DM500 per month after the birth of a child. This would involve an expenditure of about DM700 million, and the money would have to be found by cutting other items.

Agreement was also reached on the inclusion in the Union election plank of the demand for restoring the child exemption (abolished in 1975) from 1981 on, and to set the amount at \$300 per child.

In the 6-hour internal discussion Strauss stated that the tax policies of the parliamentary group and the Laender would have to be "synchronized" and credible. The "diffusion" in Union tax policy would therefore have to stop.

Bavarian Finance Minister Max Streibl explained the meaning of the term "diffusion": The extension of the blanket sum per kilometer proposed by Rhineland-Palatinate, the amendment of construction article 7b suggested by Baden-Wuerttemberg and the energy savings programs of various Laender. In the discussion of the tax initiatives Strauss admitted that Saarland Minister President Werner Zeyer (CDU) (who heads a coalition with the FDP) is in a special situation. He would have to be allowed a free hand with respect to Saarland's attitude in the Bundestag.

In the course of its budget considerations the strategy committee discarded its earlier intention to move an increase in the defense budget. Instead the initiative is to be left to the Federal Government which has accepted the obligation vis-a-vis NATO to raise expenditure by 3 percent.

The strategy committee also discussed the renewed debate on the abortion article 218 of the penal code. CDU and CSU agreed that they consider unacceptable any amendment of the law as it now stands. On the other hand they aim to submit a "program for the defense of the unborn life" in order to alleviate or remove the economic and social difficulties cited especially by single mothers in justification of abortion.

11698  
CSO: 3103

CDU GENERAL SECRETARY CRITICIZES CSU

Hamburg DER SPIEGEL in German 8 Oct 79 pp 31-38

[Interview with CDU General Secretary Geissler]

[Text] [SPIEGEL] Mr Geissler, at the recent Munich party congress deputy CSU chairman Franz Heubl appealed to his chief Franz Josef Strauss: "Franz Josef, speak to us, give us hope and expectation, opportunity and future." You were one of the distinguished guests of the congress. Do you now know the route chosen by the Union chancellor candidate?

[Geissler] An organ cannot be played without wind in the bellows; no party congress ever meets without a wind machine. Franz Heubl used rather too many registers.

[SPIEGEL] Anyone watching you sit on the stage in Munich--in the same row as Strauss fans from the CDU and the CSU--could not help feeling that you tended to register the Bavarian's strong words with some skepticism and some distance. Were we mistaken, or did we see right?

[Geissler] You were mistaken. I looked and listened with a great deal of interest. The goals defined in this speech are goals formulated by the Christian-Democratic Union in its basic plank: The safekeeping of external peace, energy supplies for the German economy at manageable prices, the administrative assurance of social peace and the moral and material reinforcement of the family.

[SPIEGEL] If in fact our eyes deceived us, did our ears do the same? Were you not the only visitor whose welcome was marred by one or two whistles, and did you not receive the least applause of all those seated in the front row?

[Geissler] I interpret the whistling as an up-to-date form of applause because, after all, the CSU is a modern party.

[SPIEGEL] After the Munich party congress do you still uphold the priority you pronounced in the course of the Union internal battle for the chancellor candidate job, when you said the CDU's identity was more important than the unity of the Union?

[Geissler] Preservation of the CDU's identity is the prerequisite for the unity of the Union. This question must be answered independent of anything said at the Munich party congress, because no party congress speech is able to reflect the full identity of a major popular party. Of course we will have to add one or the other point to our election program.

[SPIEGEL] If we have correctly understood Strauss, his domestic analysis runs something like this: We live in a relatively unfree and unjust country drifting toward Marxism, and it is the duty of the Union to prevent the Federal Republic in the 1980's from becoming a collectivist state. Was that your impression also?

[Geissler] There is an irresistible and nearly unnoticeable restriction in the freedom enjoyed in the Federal Republic of Germany. The CDU was the first party to declare itself anxious about the problem of bureaucratization. There is no question that bureaucratization has flagrantly increased in the past 10 years. Anyone who now wishes to build a house, for example, is compelled to observe 220 laws and decrees instead of the former 80.

[SPIEGEL] The CDU/CSU chancellor candidate, though, described the issue rather differently. According to him this nation is in the hands of a party which has no more than a kind of figurehead called Schmidt but is really controlled by pseudo-Marxist or Marxist elements. Are not these stereotypes rather obsolete in an enlightened political society?

[Geissler] You are putting me in a somewhat difficult situation because you ask me to comment on the interpretation of a speech which did not sound to me at all like this.

[SPIEGEL] That must be due to the fact that, sitting on the stage as a distinguished guest, you were in back of the speaker. Do you or do you not agree with the slogan "freedom or collectivism" coined by Strauss for the election campaign?

[Geissler] All of us know our craft, and the preparations for the election campaign are divided into several stages. The principal slogan for the election campaign will certainly not be issued at this stage. Of course we are committed to freedom. It is a matter of interpretation. For example more independence and therefore more freedom for women, less bureaucracy, partnership instead of class war--all these goals which are not necessarily socialist goals. Here also "freedom instead of socialism" or "freedom instead of collectivism." These slogans must be given a content, not considered merely as bare formulas.

[SPIEGEL] You say you know your craft. Do you trust yourself to give this CDU/CSU chancellor candidate some advice on the need for greater sophistication, and do you believe that he would accept it? In his speech the chancellor candidate said that the Union is going against a coalition ruled by a SPD left which is holding Schmidt captive and which, "in ideology, language

and goals" represents "a smooth transition to communism." Is that the correct analysis of your opponent in the election campaign?

[Geissler] Strauss spoke of the "extremist margin" of the SPD left. Some political forces in the SPD do openly sympathize with communism. I do not claim that they are the majority in the SPD, nor the majority in the parliamentary party. But there is a strong tendency in the SPD to consider the political enemy to be in the CDU/CSU or even the CDU/CSU as such, while they carry on a debate with the communists how to heal the historic division of the working class.

[SPIEGEL] When was Schmidt restrained by communists or by people in his party, who cooperate with the communists?

[Geissler] There is one flagrant and obvious example: The extremists in the public service. The result of this policy was that, at least in the case of the extremist edict, communist goals were actually achieved.

[SPIEGEL] This constant fear of communist infiltration seems to us to signify a lack of self-confidence in the democratic parties.

[Geissler] I am not concerned whether Schmidt or you or I have self-confidence or not; I am concerned with defending the freedom of the citizen, that is of all citizens, not just the alleged rights of a radical teacher.

[SPIEGEL] Have your attitudes changed after the choice of Strauss and the Munich party congress? Have you suddenly replaced the "new social issue" with the hunt for communists and system changers as the most important cause?

[Geissler] The hunt for communists is your phrase. It is not the political concept of the CDU. The two basic programs are the crucial plank in our election campaign. It seems to me that it is particularly important to come to grips with the conflict between the generations--a central point of the "new social issue." We are no longer preoccupied with the conflict between capital and labor or between giant organizations as the Social Democrats still are.

[SPIEGEL] What does that mean for your election strategy?

[Geissler] Other than the possible election slogan of the Social Democrats that we are after all doing well, even compared to other citizens in Europe, we will have to try and solicit votes by asserting that we must now tackle future problems, and that our citizens must therefore be prepared for that purpose to use a certain proportion of the growth in our gross national product.

[SPIEGEL] In other words self-denial instead of electoral bribes?

[Geissler] It is my belief that this is possible provided we use arguments designed to arouse people's common sense not by wielding a financial club but by drawing their attention to actual problems which need to be dealt with.



[SPIEGEL] If your forecast is correct, we will get a staid election campaign designed for the mature citizen. Going by what the chancellor candidate intimated, however, the election campaign will look very different: A reckoning with the social-liberal coalition which is alleged to be leading the nation closer to communism, Marxism and collectivism.

[Geissler] The election campaign will be neither amiable nor amicable when we discuss the topic of saving our future. We are carrying 1.7 million lost jobs into the 1980's, with the result that hundreds of thousands of young people are confronted with a closed world. We have the world's lowest birth rate and consequently the generation contract will be imperiled by the need to raise contributions to social security to up to 30 percent.

In addition we have federal debts amounting to DM230 billion, and the interest and repayment of these debts will also have to be shouldered by the same 15-20 year olds. That is by no means funny. The trouble is that the Social Democrats are obviously blind to these problems. To the chancellor the generation conflict still seems no more than a slight problem.

[SPIEGEL] Do you mean to say that Strauss uses the argument of the kinship between Social Democrats and National Socialists the better to sell your actual proposals for "saving the future"? After all, he is comparing Hitler's borrowing with the budget deficits of the Schmidt Government.

[Geissler] Do not let us strain at mosquitoes and swallow camels. In the past 2 decades it has been politically intolerable for us to have to listen to the accusation that the Union is a right radical party, culminating in the embarrassing campaign against the present Federal President. You must have some understanding for the attempt now being made at hitting back.

[SPIEGEL] Do you mean that you do not agree with Strauss' statement that national socialism is just another version of socialism?

[Geissler] We must except the democratic socialists, the social democrats.

[SPIEGEL] Do you feel comfortable when your chancellor candidate, in his dealings with the trade unions, almost exclusively harps on the topic of the alleged communist infiltration of the DGB?

[Geissler] The same topic is constantly belabored by Herbert Wehner. We are just as entitled to comment the problem. It has been very important in our talks with the DGB. At the present time the DGB leadership--including the various trade unions--is confronted with a trend by which Marxist cadres are increasingly to the fore, particularly among the younger officials who have never seen the inside of a factory because they entered the DGB directly from the universities. The trade unions must openly combat this internal union opposition. In fact they are doing just that. Recently they fired their youth secretary. As far as I know and get to hear things, this will have further consequences.

[SPIEGEL] The CSU launched very strong attacks at the DGB and the institution of the unitary trade union. Do you consider these attacks proper?

[Geissler] Up to the present the concept of the unitary trade union is quite correct. Untouched thereby is the right of the employee to join the labor union he considers right for himself. However, the concept of the unitary trade union compellingly assumes internal union pluralism and internal union tolerance.

[SPIEGEL] Do you consider this tolerance threatened?

[Geissler] I did see a threat in the past--especially in the post-1969 era--when a definite alliance was concluded between the union leadership and the government of Willy Brandt and, later, Helmut Schmidt. There is now a better chance for a new understanding between the DGB and the CDU. We expect a new trend of matter of factness. We judge the labor unions by their appraisal of certain political problems, their attitude to the equality of women, retirement pensions related to gross wages, the humanization of jobs, the social market economy. And we will have to get used to it that the trade unions judge us, the CDU, by what we say on the topic of asset formation and code-termination.

[SPIEGEL] Do you seriously believe that you will succeed in removing union suspicions while Strauss is at your head?

[Geissler] That is a matter which must be discussed between the DGB and Franz Josef Strauss. They are going to meet in a few days. I consider this union conception of matter of factness quite correct, and I would be pleased if the CSU were to subscribe to this opinion also.

[SPIEGEL] Anyone who recently witnessed the conference of the social committees in Krefeld, where you and Helmut Kohl were extolled, and who then attended the CSU congress, was bound to notice a rift in the Union hitherto equaled only by that between the Jusos [Young Socialists] and the chancellor.

[Geissler] Actually that is a somewhat isolated impression which can arise only among certain contemporaries. Of course there are many different appraisals even within the Christian Democrat Union--it is, after all, a popular party. For my part I was very pleased that the two Union parties are making family policy a central plank in the election campaign. This is a demand raised by the CDU ever since the Mannheim party congress. It has now been generally adopted.

The question what additionally must be said about important items in the Union's election platform concentrates, for example, on the entire "new social issue." The CDU will conduct the election campaign in conjunction with the CSU, on the basis of the two basic programs. We have not only personal statements by people, we also have statements involving plain facts. We have 6 million young voters aged 18-24. They consider personalities--that is quite true--but they also consider party statements about the future and current problems of this country.

[SPIEGEL] The social committees praised you as the symbol of the independence and self-assertiveness of the Union. Recently CSU Land group chief Zimmermann categorically rejected the claim of your followers that you also should be represented on Strauss' policy making body. He justified this rejection by saying that your Munich opposite number, CSU General Secretary Stoiber, was not included either. Is Zimmermann right?

[Geissler] There is an African proverb which says: If someone is intent on swallowing an ax, hold it out to him.

[SPIEGEL] Do you intend to be the ax?

[Geissler] I want to keep personalities out of it. Personnel issues are not up for decision now. All I want to say is this: I would like to recommend --despite one or the other statement--the setting up of a kind of shadow government...

[SPIEGEL] ...Something that Strauss has totally rejected...

[Geissler] ...The process of opinionmaking within the CDU is not yet complete, but why should we hide the fact that we have not only better leadership but also better staffs than the others.

[SPIEGEL] Are we correct in assuming that the northern lights of the Union have so far shown little interest in a shadow cabinet?

[Geissler] That is not my impression, but the two minister presidents of Lower Saxony and Schleswig-Holstein respectively do have well-known objective reservations which are generally accepted.

[SPIEGEL] The northern lights were sparsely represented at the CSU congress. Albrecht was absent, and so was Stoltenberg. Do you share our view that Strauss' warning that those who were looking to 1984 would lose the 1980 election, was addressed to those northern lights which did not exactly shine in Munich?

[Geissler] That is a question you will have to ask Franz Josef Strauss. But allow me to point out that northern lights shine particularly brightly at a distance. They do not have to be all that close.

[SPIEGEL] Why should Strauss give up Albrecht?

[Geissler] The CDU electoral victory in Lower Saxony was a crucial breakthrough. Minister President Albrecht is quite indispensable in his job. His tenure benefits the Union as a whole, and it is bound to be in the interest of the chancellor candidate also for us to reinforce rather than merely maintain our status in Lower Saxony.



[SPIEGEL] Do you therefore consider it unwarranted for Strauss constantly to admonish the CDU in general and Albrecht in particular not to sit on their hands but actively to support him?

[Geissler] Nobody in the CDU ever sits on their hands. We are vitally interested in winning the election, and to that end we will do everything in our power.

[SPIEGEL] When Kohl was the chancellor candidate the Bavarian Minister President constant reiterated that the 1980 Bundestag elections could be won only by a change in the party structure. The present chancellor candidate no longer says anything of the kind. May we assume that Kohl converted Strauss?

[Geissler] I think that this is the result of the agreement which was the basis for the vote in the Bundestag party group. The CDU federal executive delegated the party group to vote for a chancellor candidate while imposing two conditions: An end to any fourth party talk and continuation of the parliamentary union beyond 1980.

[SPIEGEL] If our estimates prove correct, the 1980 election result will be very close...

[Geissler] ...Nobody can possibly predict the result. Both camps have a relatively large voter nucleus. There will be 3.6 million first-time voters. We have a shift in the party situation, which occurred in the past 4 years due to the advent of the Greens, and there are people who voted for us in 1976, lifting our share to 48.6 percent, a 4.7 percent increase compared to 1972. And then there is the group of voters who chose the SPD and FDP last time, some of whom we will have to win over. That really is the strategic potential involved.

[SPIEGEL] That is a generally critical potential.

[Geissler] Quite so. Basically there has been no change in the election strategy as I sketched it at the Ludwigshafen party congress...

[SPIEGEL] ...Yet: Strauss is the chancellor candidate...

[Geissler] ...And we might win. We must not make even the slightest mistake, though, not one. All earlier Bundestag elections have demonstrated that the outcome is not only a matter of personalities but also of issues: In 1962 it was revaluation, in 1972 the Eastern treaties. The same applied in 1976. At those elections we gained only 2.8 percent among women and 1.2 percent among the over 60's, while the CDU and CSU vote generally increased by a total of 3.7 percent. That had specific political reasons which I do not wish to enlarge upon now. These problems must be resolved in 1980, and for that reason alone I recommend an election campaign dealing with issues as well as personalities.

[SPIEGEL] Was Strauss' opener of the election campaign in the Rhineland designed to catch this crucial potential of young voters, first-time voters, intelligent voters and floating voters?

[Geissler] I consider this a critical issue. The Social Democrats have a vested interest in getting left radicals to exercise a kind of psychological terror at these major events. Franz Josef Strauss and the CDU are compelled in the Ruhr to battle the extremists, and then we battle Egon Bahr--and maybe also Willy Brandt--, and above all this chaos Federal Chancellor Helmut Schmidt sits enthroned like God the Father--and does not get his hands dirty. That fits beautifully into the SPD's election scheme.

[SPIEGEL] Do you mean to say that Strauss behaved improperly, to the benefit of the SPD?

[Geissler] It is not that Strauss behaved improperly; the question at issue is whether this type of election meeting damages us, by these massive interruptions...

[SPIEGEL] ...And Strauss' massive reactions...

[Geissler] ...And the reactions obviously incited. That is very much a matter of concern. After all, politicians also are flesh and blood, not robots.

[SPIEGEL] How does election campaign expert Geissler crack that particular nut? At some time you cannot avoid exposing Strauss to the public.

[Geissler] You may depend on that. We for our part have now tackled the organization of speakers...

[SPIEGEL] ...More Watt...

[Geissler] Not only more Watt. We have a powerful and efficient party headquarters.

[SPIEGEL] Do you consider the FDP to be coalition material for the Union in 1980?

[Geissler] I do not. With respect to the 1980 Bundestag elections the FDP has sold out to the SPD completely. A multiparty system has become a de facto two-party system. Consequently the election law is no longer appropriate. It no longer offers any scope.

[SPIEGEL] Not even scope on the day after the election if the result is too close to call?

[Geissler] No possibility can ever be excluded in politics; but the FDP election statement already firmly states its intentions with regard to the coalition. It wishes to go along with the SPD.

[SPIEGEL] If you should not be prepared to take the risk of forming the government if you have a majority of only one, or to sit on the opposition benches if you are in the minority by only one, you would have to consider a grand coalition. Would that be feasible?

[Geissler] It is useless to give a hypothetical reply to a hypothetical question.

[SPIEGEL] Talking of hypotheses: Would it be like if we were to assume that Strauss will be federal chancellor? What will be left of the CDU? Or do you believe that this man whose image is solid with the public, will in fact be just a transitory phenomenon?

[Geissler] All these are suppositions, assumptions and images of the future, which have as good as nothing to do with real life, nor with the foreseeable future...

[SPIEGEL] ...In your official capacity you must, however, believe one assumption: That Strauss will be chancellor...

[Geissler] ...A good hypothesis--I repeat: It has nothing to do with any change in the nature of the party. This party, after all, is now the party of the membership. It has become a party of a program. Of course any chancellor candidate is bound to bring in his own emphases, to define his key issues.

[SPIEGEL] Strauss is first the chairman of the fraternal party, and Strauss, second, was not chosen chancellor candidate by a party congress of the membership party CDU. He is chancellor candidate thanks only to his strength. And he is who he is.

[Geissler] Everyone is he who he is. Strauss was chosen by the joint Bundestag party. But in fact you did address a problem which has not yet been resolved. The two parties officially still remain in the relationship of coalition parties. In actual fact, though, it is not a matter of coalition parties but of two parties--let me put it this way--of a united political movement with just one birth defect: That in 1946, due to the existence of the Bavarian Party, the CSU did not become a Land federation of the CDU.

Lacking in the parties is a joint democratic procedure for solving conflicts at party level, whether due to personal problems or issues. In Mannheim we proposed setting up a joint body. So far that has not been done, but we are keeping the topic on the agenda.

[SPIEGEL] How do you intend to change this state of affairs?

[Geissler] In my opinion all parties ought to ask themselves how it may be possible more directly to involve the citizens in the decision about personnel, for example--maybe on the lines of the primaries in the United States.

[SPIEGEL] Let us return to our question: Might the CDU run the danger to be so imprinted by Strauss--assuming that he becomes chancellor--that it would be quite a different CDU at the end of 4 years?

[Geissler] I do not consider dangerous any policy definition by a chancellor of the Union parties. In fact I consider it an opportunity. Furthermore, this is an interplay. No chancellor can conduct a policy which cannot establish a consensus in the political groups from which he issues. That is the task of every politician. Franz Josef Strauss will have to tackle it also. It cannot be done by a dictate from on high.

[SPIEGEL] Please accept our thanks for this interview.

11698  
CS0: 3103

NORTH RHINE-WESTPHALIAN LOCAL ELECTIONS: TROUBLE FOR SPD

Hamburg DER SPIEGEL in German 8 Oct 79 pp 44-46

[Text] A perilous trend for the SPD emerges from the local elections in North Rhine-Westphalia. The CDU once again steadily gained ground in large Rhenish cities, where the SPD used to develop new voter potential.

The day after the lost local elections the comrades in the Land executive of the North Rhine-Westphalian SPD still harped on the old topic. They stared in astonishment at the results in the region, got worked up about quite small shifts and complained of apathy among the workers. According to a Land minister, "there was a great howling and gnashing of teeth."

Government chief Johannes Rau went on and on about his current favorite topic: The Greens. And when the talk finally got round to the losses on the Rhine, a voice from the background intoned: "After all, we won in Erftstadt."

A week ago last Monday this just about summed up the Duesseldorf SPD headquarters analysis of the actual election result. The SPD leadership was once more hard at work sublimating unwelcome truths--they simply denied the trend on the Rhine.

True, the red Ruhr region once again proved impervious to attack by the blacks. But the social-liberals in the vital federal Land are threatened on the fateful German river: There, between Bonn and Duesseldorf, Heinrich Koeppler, CDU chief in the Duesseldorf provincial assembly, hopes for a shift. He already notes a "signal effect." And Bundestag deputy Alo Hauser, CDU district chairman in Bonn, adds: "Everything presages a change in Bonn."

Admittedly the CDU gains in the most populous federal Land were rather modest: 0.2 percent for a total of 46.3 percent of the vote, and the losses of the SPD (down by 0.6 percent to 44.9 percent) and the FDP (down from 7.1 percent to 6.5 percent) did not seem all that serious either. Rau summarized the prevailing verdict: "In general we may say that the CDU and the SPD have largely held their own."



Johannes Rau managed to record a 2.8 percent gain on his homeground in Wuppertal. Yet he seems to have lost from view the crucial Rhine artery. Whenever he mentions the "rather painful" results on the Rhine, his next sentence reverts to the Ruhr and to the Greens. The largely ignored trend is at its most obvious in Cologne, the major city in North Rhine-Westphalia. Once the SPD was entrenched there just as much as the CSU in Bavaria; in 1964 it held a bountiful 57.4 percent. Subsequently every single local election registered a slight loss, and now the Social Democrats and the CDU are roughly equal--the headstart of the old days has shrunk to a fraction.

Next door, in Leverkusen, the comrades achieved 53.7 percent 10 years ago and are barely holding their own now. In Bonn, where they never had a chance, the vote declined once more--to a meager 31.9 percent. In Krefeld and Neuss the CDU gained absolute majorities. In the Land capital Duesseldorf, finally, where the SPD at one time barely missed 50 percent, the CDU is now well ahead of the party of chief mayor Bungert. At his fourth attempt Josef Kuerten, victor in the elections, managed to get 47.6 percent and, unless the FDP changes its mind, will be the new boss of city hall.

The social-liberals are helplessly watching their decline although they are quite aware that "this is the sickness of Munich and Frankfurt"--the diagnosis of Hans Otto Baumer, chairman of the SPD region Lower Rhine and minister of agriculture. They know that the virus infects mostly the service centers; but they have not yet thought of any possible treatment.

Liable to catch the infection are the "new middle strata, the upwardly mobile people" (CDU-Hauser), those important floating voters "among whom it is currently the fashion to be conservative"--according to FDP general secretary Guenter Verheugen, mayor of Bruehl on the Rhine. "The trend is not new," complains Klaus Liepelt, head of the Institute for Applied Sociology, affiliated to the SPD.

The pollster talks of the "erosion of power" on the Rhine. According to Liepelt the voters lost "their keenness for the SPD." These were precisely the voters who once made all the difference at the famous Willy election of 1972 ("Willy Brandt must continue as Chancellor") and in Cologne, for example, managed once more to raise the SPD vote to 52 percent.

Liepelt recalls that those "who got things moving for the SPD in the early 1970's" were typical floating voters, young upwardly mobile men and women--and that applies especially to the Rhine artery with a population of some 3 million. Cologne sociologist Prof Erwin K. Scheuch supplements this statement: "The solid backing the Social Democrats enjoy in the Ruhr region is not available here."

A listless party, intent only on maintaining themselves in power, such as the Cologne SPD, is unable to recruit new voters. The young tend to go to the Greens or stay at home. It is plain silly for Cologne's chief mayor John van Nes Ziegler simply to claim: "They did not vote because they were perfectly satisfied." His rather more earthy predecessor Theo Burauen, aged 72, is



fearful for the city and the nation: "We old social democrats are apprehensive of a disaster on the Rhine." North Rhine-Westphalian Labor Minister Friedhelm Farthmann is hard put to it to understand how this could happen. According to him "these cosmopolitan and liberal cities ought to be our strongholds."

For the social democrats it is a vital stratum which is drying up for them, because these people made the party competitive. When the chips are down next year in the federation and the Land, warns the SPD politician: "We must not allow ourselves to be upset on the Rhine."

It is quite possible, though, that one powerful man may stop the downward rush. According to the public opinion polls Franz Josef Strauss is the obstacle to a federation-wide victory of the Union (see page 38), and he may scare off precisely that stratum of citizens who have for some time past considered the SPD insufficiently bourgeois for its tastes.

Admittedly, and the psephologists are quite aware of that fact, new circumstances tend to take a long time to translate into voting habits--but there may be enough time until next fall.

11696  
CSO: 5103

TRADE UNION CHIEF DISCUSSES COMING PARLIAMENTARY ELECTIONS

Hamburg DER SPIEGEL in German 8 Oct 79 pp 124-132

[Interview with DGB chief Heinz Oskar Vetter by SPIEGEL editors Stephan Burgdorff and Heiko Martens]

[Text] [SPIEGEL] Mr Vetter, the SPD press service recently wrote that Union chancellor candidate Franz Josef Strauss will have to cope with a particularly thorny issue: The German Labor Union Federation and its chairman Heinz Oskar Vetter. Will you stop Strauss' march on Bonn?

[Vetter] We have always said very clearly that we were not established to provide election aid for one or another party. That applies to the DGB. The future will show how I myself will cope with Franz Josef Strauss.

[SPIEGEL] At the time of the last election campaign you were able to assert with some credibility that the unions could get along with a CDU government headed by Helmut Kohl. Does that apply to a Strauss Government also?

[Vetter] We will cooperate with any government which issues from democratic elections and acts in a democratic manner. As for Strauss, it is up to him to let us know exactly where he stands, without any ifs or buts.

[SPIEGEL] The CSU is the only democratic party explicitly to affirm its belief in union pluralism. How do you intend to arrive at an appropriate collaboration with someone who basically questions the unitary labor union?

[Vetter] The CSU's union pluralism inevitably leads back to the Weimar situation. By contrast our program and our daily operations are based on pluralism among our members who range across all parties. In the matter of the election campaign we will say in good time: If you please, these are our aims and that is the style of political discussion desired by the German Labor Union Federation.

[SPIEGEL] Your colleague Eugen Loderer of the IG [industrial labor union] Metal is far less reticent. For him Strauss is synonymous with a plank, and that plank is "not the program of employees and their trade unions."

[Vetter] At this time the CSU representatives are leveling reproaches at the German Labor Union Federation, which run so completely counter to the way we see ourselves and, in view of the facts of the matter, are so untenable that it will be extremely difficult to arrive at a halfway tolerable coexistence.

[SPIEGEL] What will be the conditions?

[Vetter] First of all I must make it quite clear that the CSU will not succeed in driving the trade unions toward political neutrality. We are independent of party politics but always very much a political organization, especially at election time. We set out our demands as a union criterion for the electoral decision of the individual unionist, because he must make that decision for himself. It is of course indisputable that, especially with regard to reforms, the conceptions of unions and SPD were often identical.

[SPIEGEL] WERE identical?

[Vetter] The social-liberal coalition started out with a large bucket full of reforms. In the meantime the bucket has been badly dented. Let us look no further than the 1976 codetermination law. Even a SPD-led government was unable to carry full codetermination such as we have in the coal, iron and steel industries.

[SPIEGEL] Do you believe that a Schmidt-led government would be able to remove the dents in the next legislative term?

[Vetter] If a new Schmidt Government emerges from this election campaign, it will have to understand that a new edition of the coalition will have to be far more resolute. If it is not, a conflict between the employee organizations and the government is inevitable.

[SPIEGEL] How is Schmidt to do that? Do you by any chance assume that the FDP will no longer be part of the government?

[Vetter] I do not. I think that the coalition partners could easily gamble away the powers which they might be given once more. Convincing solutions must be found in the years after 1980 in matters of the pension question, tax reform, asset formation and also the further democratization of the economy.

[SPIEGEL] Does this mean that you expect equal codetermination to arrive in the next legislative term?

[Vetter] We need equality, we need equal status for the employees in order to deal with technological developments. In fact we need it urgently. In the coming years hundreds of thousands, even millions, of jobs will be affected by the technical revolution--up to and including the loss of jobs. That which is ahead of us in the technological field can no longer be dealt with only by marketing and structural policies.

[SPIEGEL] By saying this you provide ammunition for the conservative market economists who claim that you want equality in order to make the Federal Republic a trade union republic.

[Vetter] Nobody can relieve the parties of their encompassing responsibility for the society and the economy. Yet what does it profit us if the economy manages to cope with the impending structural change and at the same time fails to humanize the working environment? Or let us take the energy sector. The market economy can no longer handle the problem of guaranteeing supplies for the next 20 years. Even the corporate bosses in this industry are aware that this must be cooperatively planned. Based on this assumption--and that is my argument--we arrive at the general conviction that nothing can be done without the trade unions.

[SPIEGEL] There are times, though, when the labor unions obviously do not quite know what they want. Consider asset accumulation which the Federal Chancellor wishes to advance in the current legislative term. Some unions advocate it, others reject it.

[Vetter] Opinions on the shape of asset formation have always differed within the German Labor Union Federation. But to the extent that we know the text of the plans now submitted by the Federal Government a compromise appears possible.

[SPIEGEL] Are you not worried because the FDP wants to leave to the individual employee to decide whether to invest his stock in the funds of the parties to the collective agreement or elsewhere?

[Vetter] Later this week we are to meet with the Federal Minister of Economics. We will then see in how far our assessment is confirmed. Incidentally we do make a crucial condition in this matter. If that is not met, I am afraid...

[SPIEGEL] ...Which point is that?

[Vetter] I prefer first to tell the government in a letter.

[SPIEGEL] May we guess? You want to remove the benefits enjoyed with respect to the issue of employees shares which are largely exempt from taxes and social contributions.

[Vetter] Nothing doing. There are certain rules of behavior between unions and government, and I prefer to stick to them.

[SPIEGEL] Maybe you would rather discuss another topic. The DGB advocates the expansion of nuclear energy. Helmut Schmidt always has difficulties with his party due to his pro-nuclear energy stance. Will you back the Federal Chancellor at the Berlin SPD Congress next December?

[Vetter] The DGB has already informed the SPD of its opinion on the matter. We have explained our advocacy of nuclear energy and, at the same time, more and more clearly emphasized our "but": Concerning the issue of safety and disposal. It is equally clear that we need growth, and that cannot be achieved without energy. It is our opinion that we cannot manage with coal only at this time of the oil crisis. And that is also the Chancellor's view.

[SPILGEL] The problem, though, is not the Chancellor, the problem is the SPD congress in Berlin.

[Vetter] Admittedly that is a SPD problem, not ours. Our attitude is quite unequivocal. And I believe that a large party such as the SPD cannot simply shrug off the opinion of the employee organizations.

[SPILGEL] Does the same apply to the demand for tax relief in 1980, which the Chancellor rejects utterly--in contrast to the DGB?

[Vetter] The effect of the tax progression is becoming intolerable especially for employees.

[SPILGEL] Therefore tax reform as early as 1980?

[Vetter] We are not prepared to set a hard and fast time limit now. Any reform must be 100 percent effective. No patchwork is admissible.

[SPILGEL] Should the government say in the 1980 election year what it intends to do in 1981?

[Vetter] If the domestic economy slackens in 1980, the government will have to interfere.

[SPILGEL] ...And lower taxes in the election year, so that employees can buy more?

[Vetter] That would be one possibility.

[SPILGEL] In that case you would have an easier time with Franz Josef Strauss. He is calling for tax relief in 1980--even without considering the economic situation.

[Vetter] This ray of light is not enough to improve our relations with Strauss who says a minute later that the DGB is infiltrated by communists.

[SPILGEL] Does that accusation sit particularly badly with you?

[Vetter] Politicians do tend to oversimplify the issues. First they shy away from naming a party which they consider a problem from the constitutional aspect. Later, if this fits in with their party political election concepts, they yell: Look at the DGB! For our part we have steadily reiterated

that parties operating in our various parliamentary assemblies cannot simply be sidelined in a large organization such as ours, which enjoys party political pluralism.

[SPIEGEL] You do allow DKP members to work for you?

[Vetter] Certainly. What we do not allow are attempts to establish communist groups in the DGB, which aim gradually to dictate DGB policy. In the past we have several times foiled communist attempts to dictate union policy--in the IG Construction, for example, or the IG Mining.

[SPIEGEL] Critics in your ranks claim that the accusation of communist infiltration has caused the DGB to overreact, that it has caused what amounts to a witch hunt. You are said to have stopped the printing of a brochure for the antiwar day because it was alleged to be too leftist.

[Vetter] That is quite wrong. We did publish a brochure for the antiwar day...

[SPIEGEL] ...which lacks the articles which were supposed to have been included in the other brochure.

[Vetter] It was intended to be a brochure for young people. The draft submitted to us was unduly one-sided in historical background and political assessment. In view of the short time available this could not be remedied, and we therefore preferred to distribute in the federal territory generally the brochure prepared and already approved by our North Rhine-Westphalia district.

[SPIEGEL] ...And that is why you also fired your youth secretary?

[Vetter] Firing is not the right term. Relations between the top secretaries and the members of the executive must be those of mutual confidence. This confidence had not existed for some time past between the DGB youth secretary and the executive member in charge of youth issues. Everybody and their uncle get all excited about such an event when it happens in our ranks, though it is quite usual in politics for political officials to be suspended. That has nothing whatever to do with political attitudes.

[SPIEGEL] To us this explanation seems rather simplistic, especially because the dispute continues. The magazine of the Public Service, Transportation and Communications Union has accused Detlef Henschel, former head of your sociopolitical section and present executive member of the IG Print, of glossing over the differences between communists and social democrats in order to make the goals of communist union work appear harmless.

[Vetter] Evidently my colleague Henschel did just that. And it is therefore quite understandable that he was immediately taken to task on that point. Incidentally, the two events should not be thrown into one pot.



[SPIEGEL] Would you go so far as to recommend the DGB Youth and other DGB organizations to keep the greatest possible distance between them and the IAP people at any demonstrations against Franz Josef Strauss?

[Vetter] That is an excellent and provocative question, but it can be answered quite simply: I have no reason whatsoever to request or restrain any member concerning attendance at a party meeting.

[SPIEGEL] Mr Vetter, in 1982 you and five other executive members will retire from your jobs.

[Vetter] That is most likely.

[SPIEGEL] So this will your last parliamentary election campaign as DGB chairman?

[Vetter] No; for me there is no election campaign.

[SPIEGEL] We beg your pardon?

[Vetter] No and again no; I do not have to participate in the election campaign. Everyone knows that I am a social democrat. And of course I will vote the social democrat ticket, if that was your question. But I will not participate in the election campaign in my capacity as DGB chairman. It is my long-standing and considered opinion that I want neither a party office at national level nor a seat in parliament. In this respect also the unitary trade union requires a personal demonstration.

[SPIEGEL] Therefore the DGB chairman will continue to abstain?

[Vetter] I am sure of that.

[SPIEGEL] Who will succeed you when you resign your office as DGB chief in 1982?

[Vetter] We in the DGB have made every effort to project into the future our common sense, learned from experience. The draft of a new basic program, approved last week by the DGB executive, will--we hope--become the intellectual-political center of the German Labor Union Federation for the next generation also.

[SPIEGEL] The unitary labor union would therefore survive even if there were a Chancellor Franz Josef Strauss?

[Vetter] I am sure that the unitary labor union will survive Franz Josef Strauss also.

[SPIEGEL] Let us express our thanks for granting us this interview.

PRIVATE INSTITUTES ASSUME LARGER ROLE IN CAMPAIGNS

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 26 Sep 79 p 3

[Article by Gerda Strack, Bonn: "The Rich Institutes of the Poor Parties"]

[Text] The justices at the Karlsruhe Federal Constitutional Court repeatedly put a stopper on all too opulent party financing from tax moneys. The last example came in July when they pronounced against an unduly generous scope for tax deductions arising from donations to the political parties.

On the other hand the institutes related to the parties have less trouble with their financial sources. Year by year they obtain more money from the federal budget--and that without much ado or parliamentary supervision. This year, for instance, they will receive nearly DM70 million from the budget of the Federal Ministry of the Interior in the shape of "general subsidies for sociopolitical and democratic education."

Just over DM10 million each will go to the Harms-Seidel Institute which is CSU related and to the Friedrich-Naumann Institute which is FDP related. The Friedrich-Ebert Institute, affiliated to the SPD, will get nearly DM25 million from the same source, while the Konrad-Adenauer Institute, affiliated to the CDU, will obtain nearly as much.

1967 was the first year when the institutes benefited from "general subsidies." At that time the sum involved was just about DM9 million for all four. Then the Friedrich-Ebert Institute and the Konrad-Adenauer Institute each collected DM3.5 million from the Federal Interior Ministry. Dml million each went to the Friedrich-Naumann Institute and the Harms-Seidel Institute.

The annual increase in money for the institutes from DM9 million (1967) to nearly DM70 million (1979) proceeds smoothly because allocations are made by the all-party coalition of deputies in the Budget Committee of the Bundestag. Two years ago CDU deputy Gerold Benz proposed asking a parliamentary question by which the agreed procedure of institutional financing would have become public knowledge. He was reminded that such questions are considered improper.

Benz had intended to ask the Federal Government to report the public finance channeled from the federal budget to the institutes since 1970. The CDU deputy also wanted a separate list showing the additional moneys paid for research contracts, expert opinions and studies. The information then refused is still confidential today.

In the meantime, though, the constitutional lawyers at the Federal Ministry of the Interior have come to feel rather more uneasy about the general subsidies. That unease is strengthened further by the kinds of checks on the way this money is spent. They are carried out in accordance with management principles established in 1975 specifically for the institutes.

Though the institutes must submit reports by independent accountants firms on the "orderly, economical and prudent use" of federal moneys granted in the form of a general subsidy, these also deal only with general expenditure. There is no check on individual projects.

As individual useful projects concerned with sociopolitical and democratic education are not promoted, the constitutional lawyers feel that there should be at least some project-related checks. This could reduce the danger of having the tax money paid to the institutes go to finance the parties themselves.

The institutes receive the general subsidies to enable them to carry out their statutory functions, especially to arrange seminars, congresses and colloquiums, obtain teaching materials, contract for research projects with sociopolitical aims, especially in the field of educational research. That is what it says in the official explanation of this budget item. But the institutes may use this "generally" provided money even to pay personnel, furnish and equip existing or construct and buy new educational facilities.

The institutes maintain such well known meeting places for politicians as the Wildbad-Kreuth Academy (Hanns-Seidel Institute), the Eichholz Academy near Bonn (Konrad-Adenauer Institute), the Popular Advanced School in Bad Ems (Friedrich-Ebert Institute) and the Theodor-Heuss Academy in Gummersbach (Friedrich-Naumann Institute). Political further education is also carried on in Adenauer's former vacation home in Cadenabbia (Italy).

The financing of the institutes by general subsidies as begun in 1967 represented the parties prompt reaction to a 1966 opinion by the Federal Constitutional Court. According to this opinion federal budget subsidies to the parties for all their operations in the field of political opinion shaping and decisionmaking are incompatible with articles 21 and 20 paragraph 2 of the constitution. The justices allowed tax moneys to be paid only to reimburse election expenses and for subsidies to the parliamentary party groups.

Invented at that time was the financing of political education by general subsidies to the institutes. It worked perfectly once there was a recipient for government money in the CSU region also. Following the 1966 opinion on party finances the Hanns-Seidel Institute was specifically set up for that purpose.

The constitutional experts at Bonn's Interior Ministry have ascertained that "in general the party-related institutes largely meet their financial requirements from subsidies from public budgets. In addition to the nearly DM70 million the institutes got DM1 million in 1979 from the Federal Center for Political Education (also attached to the Federal Ministry of the Interior) and still another million from the moneys administered by the Interior Ministry officials for defense against extremism.

Even more generous to the political institutes than the Federal Ministry of the Interior is the Development Aid Ministry. This year the institutes will spend some DM100 million from that source for their developmental operations. Even the Harms-Seidel Institute now plans greater involvement. It used to leave the development aid field mostly to the Konrad-Adenauer Institute.

At the same time the Union institutes do not intend to compete against one another abroad. The Harms-Seidel Institute aims to set up shop only where the Konrad-Adenauer Institute is not yet active, either diplomatically or developmentally. The CSU affiliated institute will thus also be able to offer its party friends the occasional jaunt abroad--at special rates. Some time ago, for example, Marianne Strauss (Franz Josef's wife) got to enjoy a trip to African Togo.

This year the political institutes will receive a total of some DM200 million from the federal budget for their work abroad and at home. The parties themselves hardly record more income. According to the latest published figures (1977), the SPD and CDU reported their total incomes as DM100 million each, the CSU recorded DM23 million and the FDP DM17 million. "We could maintain our own party," was the comment of the chairman of one of the institutes on learning about these impressive financial ratios.

True, the institutes are legally and administratively independent from the parties represented in the Bundestag. Still, the all-embracing formula of financing "sociopolitical and democratic education" and the general subsidies cause some anxiety to the constitutional experts.

11698  
CSO: 3103

## BRIEFS

BREMEN CAMPAIGN DISORDERS--The CSU holds the SPD partly responsible for the excesses at the election meetings of chancellor candidate Franz Josef Strauss in Bremen. According to police reports 10 officers and a reporter were injured at meetings last Wednesday. The riots in front of Bremen city hall occurred when some 150 of the approximately 4,000 demonstrators attempted to break through the barriers erected by the police cordons. Some 1,000 officers had been deployed, and police reports claim that the mostly young demonstrators used bags of dye, branches, rotten eggs, tomatoes, bottles and stones. Eggs were also flung at an earlier Strauss meeting in Bremerhaven. While the rioters clamored outside Bremen city hall, the actual Strauss meeting proceeded fairly quietly inside. Some 7,500 people attended. At a counterdemonstration in another hall, led by Senator Scherf (SPD) the 1,500 people present also were quite peaceful. Strauss thanked the Bremen Police yesterday and had gifts sent to the injured officers. [Text] [West Berlin DER TAGES-SPIEGEL in German 27 Sep 79 p 8] 11698

CSO: 3103

## YEAR OF DECISION AHEAD FOR TROUBLED CENTER PARTY

## New Course Needed

Helsinki HELSINGIN SANOMA. In Finnish 30 Sep 79 p 31

[Commentary by Anneli Sundberg: "Intrigues Rack Center Party"]

[Text] The Center Party (KEPU) is moving into the 1980's tagged with all the earmarks of a party fading into the sunset, permanently crushed by the expanding Conservative Party and sulking at its bedfellows in the government.

Racked by internal intrigues, the KEPU has been unable to find a new look for itself, one which would have an effect on the new kind of voter described as a Datsun business college graduate.

Troubles continue to plague its ideals at home and abroad the KEPU's K-line [faction] kingmakers, the so-called three-headed Kekkonen, have now launched a frontal attack from behind the scenes. Johannes Virolainen, Farmer the First, must go or the party will never get rid of the stigma of being a farmers party.

Political judgments are cold. Just one more national election defeat and the KEPU, which has governed the country since the end of the war, will permanently lose from 15 to 16 percent of its support to the delight of the farmers club.

The fact that judgments regarding the party are more and more beginning to sound like eulogies and funeral orations has set off the alarms in the party bureau, the ministers' (particularly the minister of foreign affairs) offices, the president's office, the Bank of Finland, everywhere in the country and in the KEPU where leaders and political directors have been trained.

Within the next 10 years there will be nothing left of the party for anyone to inherit or take over if it does not finally manage to break into the Southern Finnish cities controlled by the Conservative Party, which proclaims itself to be the right wing of the center, and the Social Democrats, who stress humaneness.



Nor do the forces opposing Virolainen feel that those cities can be won by posing in one's own fields pitchfork in hand.

The jungle drums bring us word that 33-year-old minister, master of arts and vice chairman, Paavo Vayrynen, has come of political age and is ready to assume his inheritance at the Turku party convention next summer.

#### Virolainen Silent

It has been demanded that party leader Johannes Virolainen leave the scene or at least relinquish the party leadership in the name of the common good. A full-blooded politician, Virolainen has for the present left his opponent guessing at his intentions. He seems to be concentrating with all his might on getting himself reported on commercial television.

The expedition composed of Youth League representatives sent by Vayrynen to sound him out returned from its visit to Virolainen in a state of confusion: What did he really promise or did he promise anything?

"I told the delegation that the field is open. Find support for your candidate.

"I don't insist on being the leader of the party," Virolainen lets it be known, but remembers to remind the others: "Those who then chose me to be chairman have been trying to get rid of me for 16 years now. It all depends on confidence, and that I command."

#### K-line Complexes

The support Virolainen enjoys at party conventions seems to be responsible for a permanent complex among his opponents. Attempts to unseat Virolainen in the 1970's have to this day begun energetically and ended ignominiously. Opposition candidates have either gotten cold feet or gone to the polls surrendering in advance, as though going to the sacrificial altar.

In the party government and the party working committee, Virolainen even now bulldozes his views through despite the fact that the party's other power faction, the K-line, is in the majority.

Virolainen may have contributed to the fact that K-line politicians have had their hands full with the shaping of their own political image: who they want to be president, chairman, minister, occupying an important post or President Urho Kekkonen's permanent right-hand man.

Associated with the K-line are the swearing of allegiance to Paasikivi-Kekkonen-style foreign policy and the cultivation of fraternal relations with our Soviet friends rather than domestic policy objectives.

### Hints and Harsh Words

K-line vagueness has resulted in the fact that, in every administration in which Virolainen has participated, he has been the KEPU politician with whom the Social Democrats and Communists have done business.

And this despite the fact that K-line politicians have half openly let it be understood that, in terms of foreign policy, they are the most socially acceptable KEPU faction, a fact the Social Democrats ought to realize.

The Social Democrats have, however, turned a deaf ear to these hints. If even Mauno Koivisto is capable of winning his spurs in the field of foreign policy, the Social Democrats regard themselves as ready to take on the KEPU, and perhaps victoriously so, on all political fronts.

Koivisto's acquisition of a statesman's reputation does not fit in with the plans of the KEPU kingmakers. This is evident in the workings of the present administration, the Social Democrats complain.

It is hard for the "reformist" Communists to forget all the petty annoyances which they feel they have been subjected to because of the KEPU K-line.

One example that is always mentioned is the address delivered on the occasion of Finnish Independence Day and the 60th anniversary of the October Revolution, which Ahti Karjalainen and the Peace Defenders' then "Stalinist" chief secretary, Mirjam Vire-Tuominen, together engineered, keeping it a secret from the "reformist" Communists.

### Vayrynen As Messenger Boy

Events connected with the formation of Kalevi Sorsa's second administration have at least temporarily lowered Vayrynen's ratings in the eyes of the left. At that time, with the president's endorsement, Vayrynen was the only certain choice for minister.

Perhaps feeling his position to be a strong one, he told Communist leaders, who were quietly expecting to obtain ministerial portfolios, that the Social Democrats did not want to have Communists in the government.

The confusion was extreme — albeit momentary — when the Communists suspected the Social Democrats of betrayal, while the Social Democrats asserted that their agreement was still valid and that any other reports were unfounded.

### Sympathy Extended

Despite suspicion and the merciless nature of political competition, the other parties do merely regard KEPU convulsions with malicious delight.

Their appraisal of the influential Social Democrat leader is that the KEPU's external disintegration and internal disputes are to be deplored from the standpoint of the nation. "The KEPU has for such a long time been a central political force that it would be hard to replace it."

#### Press Strikes, Conservative Party Swallows Up Districts

Inside the KEPU, the reasons for its decline and defeat are being sought for from among its leaders, primarily Virolainen: information media hostility toward the KEPU, the weakening of its organizational network, ideological shortcomings. No faction is willing to admit that KEPU policy might be alienating voters.

"We pursue a strong overall policy," say even those who are trying to reform the party's leadership and image.

They explain that, while the Social Democrats and the Conservative Party, which is expanding to a threatening degree, are dividing up Southern Finland — in districts that may decide the KEPU's fate — between themselves, the red press and red Finnish Broadcasting Corporation are distorting the KEPU image in the eyes of the people.

#### Softer Profile

According to opinion polls, voters feel that the KEPU is becoming more and more concerned with farm economy affairs. Although the party leadership cannot forget the farmers (who account for nearly half of its support) in the future either, an effort is being made to enlist more workers, more white-collar workers and more public officials into the ranks of the party.

At the same time, they are trying to create a new profile, a KEPU image that is somewhere between the declaration of human rights and the Kojärvi Movement.

They are trying to convince voters that, in supporting the KEPU, Finns will in future lead a harmonious family life in their own homes or privately owned apartments and live in a humane, open society, kind to children and free of bureaucracy, in which real income at least does not drop and taxes too — while not quite entirely paid by the state — at least favor small and middle-income groups.

There is only one flaw in this profile and its realization: Virolainen will not agree to submit to the marketing notions borrowed from the Conservative Party, perfectly aligned vest-pocket handkerchiefs and thoroughly planned campaigns. He still retains his farmer's image, the one he adopted after the catastrophic 1970 elections.

## Estimated Support

If the KEPU intends to sharply increase its support in the next parliamentary elections, it will have to win from 20 to 35 percent more votes in the seven southern districts.

In last winter's parliamentary elections, the KEPU received only 10.3 percent of the Southern Finnish vote. In the Southern Finland area the Social Democrats had overtaken the KEPU as early as the 1975 elections and in the last elections the Conservative Party very nearly did so too.

In the last elections the KEPU succeeded in getting 5.4 percent of the Southern Finnish municipal vote. It is a constant and distressing blow to the party's prestige that it has no parliamentary representative from Helsinki. Even MTV [expansion unknown] department head, Kyllikki Stenros, remained merely a guest star.

Outside the party, people hardly have any faith in the KEPU's ability to regain the seats it has lost. They feel that the Conservative Party has permanently risen to the position of a greater middle class party and they no longer believe that it will disintegrate, thus granting the KEPU a period of grace.

KEPU Chairman Johannes Virolainen also believes that current party configurations will no longer be in effect in the dim distance of the end of the 1980's.

## KEPU Support in Parliamentary Elections, 1945-1979

	Number of Votes	Percentage of Vote	Representatives
1945	362,662	21.3	49
1948	455,635	24.2	56
1951	421,613	23.2	51
1954	483,958	24.1	53
1958	448,364	23.1	48
1962	528,409	23	53
1966	503,047	21.2	49
1970	434,150	17.1	36
1972	423,039	16.3	35
1975	484,772	17.6	39
1979	503,031	17.4	36

## Key Protagonists Named

Helsinki HELSINGIN SANOMAT in Finnish 30 Sep 79 p 31

[Commentary by Anneli Sundberg: "Divorce and Drinking As Weapons in Power Struggle"]

[Text] The troubles KEPU doctors Johannes Virolainen and Ahti Karjalainen have run into in their private lives have given their opponents and power-seekers the courage to start the ball rolling. The latter figure that KEPU members, who place their faith in the virtues of the farmers, will at least drop Virolainen, whose own supporters are also beginning to lose faith in him.

Karjalainen has no such standing in the KEPU, which is why he could apparently be dropped if it comes to a vote.

The 65-year-old Virolainen has learned that, according to KEPU morality, even a marriage in name only always wins out over a divorce. What most exasperates Virolainen is the dual morality of the advice and hints he has received.

Virolainen's opponents also have other weapons aside from his divorce. The president's public reprimand in homage to the centrists is fresh in everyone's memory and the fact remains that under Virolainen's leadership the party has been plunged from one election defeat into another.

Virolainen is also blamed for the fact that, feeling right at home in his own political game, he has forgotten that in a democratic party it is customary to play the game together.

Among Virolainen's supporters too, recently the impression has been gaining ground that it is time for a change of generations in the party. Over the years, the grudges have reached a deadlock and it is as though there were a moral basis for unburdening them in Virolainen's divorce.

#### Vayrynen Courts Farmers

Foreign Affairs Minister Paavo Vayrynen has worked hard among farmers at ridding himself of the stamp of a KEPU left-winger and radical. He has gotten a response.

Vayrynen has also cemented relations with industry and avoided all risks in his political activities. Vayrynen is said to be ambitious and to have a long memory like his models if someone crosses him.

Vayrynen has been preparing himself for the chairmanship of the KEPU ever since 1970 when he became a member of Parliament with a big vote in his favor. That was a time when even a brief career as a television programmer and a couple of programs on election districts opened the doors to Parliament.

Backing Vayrynen are such powerful people as the head of the President's Office and the president's right hand, Juhani Perttunen.

Finance Minister Ahti Pekkala's name has not been completely dropped from discussion about the chairman's seat, although it has clearly remained in the shadow of Vayrynen's long-drawn-out campaign. By dint of industriously



studying evenings and familiar with the routine of a cooperative bank director, Pekkala has unraveled for himself the secrets of the national economy and shown himself to be a smooth television performer.

So far as we know, observers are disappointed in Virolainen and also in Central Finland's Governor Kauko Sipponen, a K-line member a generation more advanced than Vayrynen's. The idea is simply to avoid Vayrynen, cost what it may. Another KEPU honorary doctor, acting general manager of the Bank of Finland, Ahti Karjalainen, who appears to have gotten clear of his drinking problem with less political damage to himself than Virolainen with his divorce, has aligned himself with Vayrynen in the power struggle.

Now that the dust has settled in the KEPU, it can be seen that Karjalainen retains his former position and is still a candidate to be watched if Finland needs a president as well as someone who significantly influences the party, and not just a little thanks to his splendid relations with the council.

#### Master and Apprentice

As early as 1970 when he was overwhelmingly defeated in the KEPU party secretary election, Vayrynen became Karjalainen's apprentice, that is, his political secretary.

At that time the KEPU chose a party secretary, inspired by the example of the Social Democratic Party, who was above party politics.

Trained in diplomacy and on the tennis fields, Mikko Immonen, then consul in London, kindled greater interest among party members than former chief secretary of KEPU students Vayrynen.

Since then Immonen has always managed to get reelected as part of some sort of package decision, typical of the KEPU.

But now Immonen is getting ready to assume his duties as head of Alko [State Liquor Monopoly] and his seat is regarded as a stepping stone by those who have set their sights on the chairman's seat.

The names of organization head Antti Naki-Reinikka and Pekkala's political secretary, party information and planning chief Seppo Kaariainen, have been proposed.

11,466  
CSO: 3107



## CONSERVATIVES OPTIMISTIC ABOUT 1980 LOCAL ELECTION PROSPECTS

Helsinki HELSINGIN SANOMAT in Finnish 30 Sep 79 p 31

[Article: "Suominen Trying to Get His Party to Overtake Social Democrats in a Year; Conservative Party Launches Election Campaign"]

[Text] National Conservative Party Chairman Ilkka Suominen on Saturday launched his party's municipal election campaign and said that the goal of the Conservative Party was to grow into a bigger party than the SDP [Social Democratic Party].

Speaking at Conservative Party headquarters in Helsinki, Suominen stressed the general political importance of these municipal elections, held again after so many years. Suominen was of the opinion that the elections will significantly indicate the direction developments will take in the 1980's.

Suominen thought the Conservative Party's chances in the local elections to be held on 19 and 20 October of next year were good. He recalled the results of the recent elections in Sweden and Norway in which right-wing parties were particularly successful. In last spring's elections the Conservative Party was 2.3 percentage points behind the SDP.

Suominen gave instructions to his party's field workers, further emphasizing that they should also make clear to voters during the election campaign each community's middle-class alternative.

Suominen, who was welcomed into the Conservative Party leadership in June, stressed his party's desire to cooperate. "I take it for granted that we cannot respond to the challenges of the future with uncompromising attitudes and political isolation.

"I hope that every one of us can regard the Conservative Party as a cooperative party representing the entire nation, one that maintains close contacts with all political opposition groups," Suominen said.

He said that, in referring to the party last summer, he had used the term, "center-right" Conservative Party, to clear the air not only between parties

but also inside the Conservative Party. Then Suominen emphasized that in using the term, "center-right," he did not mean anything more than what could be found in the content of the phrase "moderate right."

### Flexible Economic Policy

In his policy review, the Conservative Party chairman also briefly outlined his position on the government's making decisions on the economy and stressed the need for a flexible economic policy.

Suominen complained that rigid questions of authority have led to a situation where even indispensable changes in economic policy required by economic developments are frequently not effected. The Conservative Party leader gave particular credit to the Center Party which, having adopted a rigid stand against revaluation, was just as quickly ready to revise its judgment when it realized, in light of the existing facts, that the measures employed were based on the overall economic situation after all.

He warned against the effects of a rising economy due to overestimation and reminded his listeners that the foreign industry's burden of debt is getting bigger and bigger than its annual turnover.

Suominen particularly gave public notice of the disappearance of appreciation of a spirit of enterprise. Suominen noted that the increase in funds for research was a positive feature in the government's budget proposal for next year.

The Conservative Party chairman also made a point of emphasizing the improvement in the quality of life. According to him, this means "clearcut limitation of the material standard of living, economizing in the midst of an environment that offers many incentives and getting away from overidealization of consumption."

### 250 Million for Party Support

Conservative Party Secretary Veikko Tavastila defended party support which in the past has been a source of trouble to the Conservative Party, since there were many opponents to it in the parliamentary group.

Since he was in Moscow on National Lottery business, Tavastila's speech was read by Conservative Party information director Aarno Kaila. According to what he said, we cannot be evasive about the party support issue. "The fact is that the Conservative Party approves of party support."

According to Tavastila, the actual share of next year's state budget allotted for party support is 0.07 percent as opposed to 0.08 percent in this year's budget. In 1967, when party support was first granted, it amounted to 0.1 percent of the final budget figure.

When we add to this the so-called concealed party support, the amount allotted for support is quintupled and, depending on how it is calculated, comes to from 0.35 to 0.4 percent of the final budget figure. This accounts for over 200 million marks of next year's budget.

Tavastila included in concealed party support: press subsidies, government aid for party member-organizations and party-associated organizations, certain adult education schools, grants for cultural organizations and educational centers, as well as subsidies granted for some child shelters, senior citizens activities and leisure-time activities, among others.

#### Social Free Economy

On Saturday the Conservative Party leadership approved next year's activity program for the party with the main emphasis on municipal elections.

According to the program, the Conservative Party will be campaigning especially in those areas where its support is less than average.

Discussion on the Conservative Party's new program for the achievement of short-term objectives began Saturday evening and the Conservative Party's guidelines for the 1980's will be approved today.

One of the central predictions in the new objectives program concerned economic policy, specifically, whether the Conservative Party is to strive for a social free economy or a social market economy. The party's right wing has demanded a program that provides for a market economy.

As early as Saturday during the general discussion that took place on the objectives program, doubters of the feasibility of a social free economy put in an appearance. One party administration member from Helsinki wondered why it absolutely had to be referred to as a social free economy when this so nearly brings to mind the term, socialistic tendency.

Conservative Party Chairman Ilkka Suominen explained that there was no reason for the Conservative Party to change its policy at this time.

"The concept of a social free economy figured in the program drawn up 7 years ago. Dropping the term would mean a change of policy and I will not agree to that," Suominen said.

According to Suominen, Conservative Party competitors in the center and the left would, through such a change of policy, have reason to explain: "so this is the Conservative Party's change of image."

Suominen further reminded us that a social free economy is impossible anywhere else but in a market economy. "Certainly we should understand this," the Conservative Party chairman said.

11.266

CSO: 3107

## CONSERVATIVES TO ADHERE TO A 'RIGHT-CENTER' LINE

Helsinki HELSINGIN SANOMAT in Finnish 24 Aug 79 p 9

[Text] Tampere (HS)—Speaking of his party's line at the Conservative Party parliamentary group meeting Thursday in Tampere, Conservative Party Chairman Ilkka Suominen described it as a center-right tendency. Suominen observed that the bulk of the party's supporters approve of the so-called center-right party line. On this basis, the party would in his opinion be in part guided by the kind of national cooperation whereby different parties above all belong to the center but also to a moderate left.

"Then too, there are those in the Conservative Party who feel the centrist tendency should be reinforced," Suominen said, adding: "I want to emphatically state that, in addition to reducing our chances of exerting influence that path would also lead to a weakening of our support."

The Conservative Party chairman said that "although my party might not at this time be ready to take the big step, it is at least ready to extend a fair-dealing hand to the moderate left in the name of national cooperation."

"Conservative Party Looking for Partners"

Suominen felt that the Conservative Party's problem is where to find partners in cooperation. "We have long claimed that the Conservative Party is capable of cooperating and, in our opinion, the abandonment of efforts to effect such cooperation has been chiefly attributable to the lack of a desire to engage in joint actions on the part of other parties."

Suominen compared the Conservative Party's situation with the foreign policy situation, saying that it has not been enough for us to proclaim our neutrality. It also has to be recognized by the East and the West.

"The same is true of the situation in domestic policy as regards cooperation efforts," the Conservative Party chairman said. "It is pointless to cross swords over whether we are capable of cooperating or not, since cooperation has not been achieved," he said.

Like SDP [Social Democratic Party] Chairman Kalevi Sorsa, Suominen also brought up the fact that citizens have been increasingly alienating themselves from politics these past 10 years. "In order to face up to new challenges, we must have cooperation among parties. We must cooperate too so that political activity in general continues to be approved of in terms of public opinion. The apolitical nature of the most important issues and the slowness of democratic machinery drive the more active individuals to immediate action and the more passive ones to apathy," Suominen said.

Ilkka Suominen wondered why the SDP chairman was indulging in soul-searching during his party's 80th anniversary. It was precisely the Social Democrats who in this country created those big organizations Sorsa is now attacking. The constant concentration of power has apparently already begun to frighten Social Democrat leaders. Suominen felt that the alienation of the people and the growth of bureaucracy have led the Social Democrat movement into new crises.

#### "Government Is Getting Nowhere"

At its meeting, the Conservative Party parliamentary group issued a public statement in which it demands that the government proposal for the next budget include measures to eliminate unemployment. It, however, at the same time made it clear that the rising economy now in progress must not be allowed to tempt the government to increase its expenditures. Strict economy must be observed since the big ones left over from last year are a strain on the national economy.

The parliamentary group feels that the government economic policy is getting nowhere. "The government's unsuccessful way of dealing with the revaluation debate has seriously harmed the foreign exchange situation, thus resulting in negative consequences for the entire economic policy," the group said in its statement.

#### Sillantaus: Center Is Glib

According to parliamentary group chairman Pentti Sillantaus, for some time now the government has been incapable of making a single politically difficult or economically significant decision. "The government coalition parties now appear to be approaching agreement on the fact that the center parties are bit by bit giving up on their spring economic policy cooperation program," Sillantaus said.

11,466

CRC: 3107

## SORSA JOINS ANTIBUREAUCRACY BANDWAGON

Helsinki UUSI SUOMI in Finnish 19 Aug 79 p 6

[Text] In the opinion of Finland's Social Democratic Party (SDP) Chairman Kalevi Sorsa, the problem of bureaucracy must be tackled so that protection for people and their rights are increased and so that they get support and help from the social services.

"If the authority of officialdom has expanded along with the growth of the official government and the individual feels himself to be helpless and unprotected, this is really a serious challenge for us," Sorsa said Saturday in Turku at the SDP Party Council anniversary meeting. The SDP will be celebrating its 80th anniversary in Turku at the end of this week.

In Sorsa's opinion, shaking up the bureaucracy means trimming in those areas where historical relics constitute pointless complications and delay the handling of affairs. "We must in an unbiased manner and courageously tackle the problem and cut out these tumors," he said.

## Basic Security Already Guaranteed

According to Sorsa, after the war we attained a level of basic social security, but that in itself is no reason to rest on our laurels. "Basic security is not all-encompassing nor does it yet mean that this society is a humane one, that it will make room for and spur itself on to achievement, communal and warmer human relations and ways of living," Sorsa said.

"Of course, this society's many basic qualities still encourage greater competition, an unsocialistic attitude and the stifling of creative thought and activity," Sorsa asserted.

"Our society demands ever more radical reform," Sorsa said, in connection with which there are many signs pointing to the fact that we are now at a historic watershed, that by world standards and within our societies we are standing before great, perhaps even revolutionary changes.



"At the present time the various walks of life demand that we move, certainly not in the direction of total concentration of power, rather of decentralization of power, not of shrinking from decisions, rather of getting closer to people," Sorsa said.

"People no longer view big organizations as a powerline to development, rather they are now trying to get the power into their own hands and to decide on their own way of life and their own environment, nevertheless assuming that collective security will be retained at least to the extent it now exists," Sorsa said.

According to Sorsa, what people are now looking for are precisely ways to practically achieve democratic socialism. "We are afraid that, in the intoxication of economic growth, we have not attached enough importance to the clarification of this aspect of our society nor to the search for ways of practically achieving it," he said.

**Sundqvist: The Shadow of the Conservative Party Is Dimming the Center Party**

In the opinion of SDP party secretary, Trade and Industry Minister E. A. Sundqvist, the debate on revaluation that has been and is yet to be engaged in indicates that the application of the economic policy devices available in Finland is not an easy matter.

"On the other hand, it is easy to create situations of political tension and aggravate the political climate by stiffening debate on economic policy through emotionally charged I'm-right-no-you're-not arguments," Sundqvist said at the SDP celebration in Turku Saturday night.

According to Sundqvist, if the government center parties start engaging in such tactics, which seriously conflict with the action line of the workers' movement and which do not take into consideration the views of the trade-union movement, we will have to look for other alternatives for taking action.

In Sundqvist's opinion, the preparation of the budget and the government's internal economic policy debate during the past few weeks have not proven to be very promising. "We are now approaching the moment of decision and it remains to be seen whether in Center Party circles they will come to realize the scarcity of government alternatives capable of being acted on, whether Center Party leaders can settle their differences and whether the Center Party will have the courage to act without the Conservative Party's big shadow constantly dimming its prospects and economic policy outlook," Sundqvist said.

If the government is capable of burying its internal rows and continuing to pursue the previous administration's economic policy, according to Sundqvist, we may look to the future with confidence.

11,460

Code: 3107

## GOVERNMENT SUBMITS 1980 BUDGET TO PARLIAMENT

Helsinki HELSINGIN SANOMAT in Finnish 15 Sep 79 p 15

[Article: "Hard Times Coming by End of Next Year"]

[Text] Brakes to Be Applied to Keep Wages from Rising

Timo Relander, director of the National Economy Department of the Finance Ministry warns that there will be cause for alarm in the second half of next year.

Relander rejects intoxication with the rising economy in light of an international recession and does not agree with Prime Minister Mauno Koivisto's (Social Democrat) evaluation of the cautiousness of predictions on budget increases. Relander is sticking to a budget in which this year's overall growth is estimated at 7 percent.

Like Koivisto, Relander urges us to beware of allowing the economy to overheat. A warming up has also been proposed in the budgetary review of the economy; in it an appeal is made for controlling expenditures through moderate wage agreements.

Next year's overall growth rate was estimated at 4 percent in the review of the economy.

Director Timo Relander describes economic prospects for the early part of the year as "relatively acceptable." However, Relander predicts a decline for the end of the year and reminds us of the recession occasioned by the prospects for 1974.

According to Relander, slight signs of overheating are noticeable, chiefly as regional and local phenomena, most evident in the construction industry and due to an expected bigger hike in construction costs.

Among other things, Relander warns of swiftly increasing energy imports and rises in the costs of foreign contracts. He says that wages, sliding scales and timber prices have to be kept in line.

## Chances of Worldwide Recession

Belander defends applying the brakes to a growth rate ranging from a sizable one to a boom on the basis of the international outlook. In the OECD nations, a drop of about 1 percent in the rate of growth is expected next year.

A recession and spiraling inflation in the United States are also weakening worldwide prospects for economic growth. Predictions on the duration of the U.S. recession vary. A rise is expected at the end of either this or next year.

The rate of worldwide inflation is expected to accelerate by the end of this year and during next year. The greatest pressures are produced by price hikes for crude oil and metals. Oil price hikes this year are estimated at an average of 35 percent.

## Exports in Decline

This year's sizable increase in exports will go into decline in 1980.

Whereas we are now reaching an increase of 9 percent in export items and 15 percent in prices, in 1980 the corresponding figures will be a 3-percent increase in volume and an 8-percent rise in prices.

The forest industry, whose toughest competitors, Canada (exports to the United States) and Sweden (raw material shortage), have put in a weak appearance in Europe, has in particular dominated the market.

Next year wood products exports will pose a threat to the United States which, during the recession, may dump its surplus on Europe.

In the metal industry, manufacturers of machinery, among others papermaking machinery, have increased their exports. Ship exports have declined, chiefly because of a reduction in the number of orders from the Soviet Union.

Steel exports are expected to increase to a certain extent next year due to orders already received and an ongoing phase of moderate investments.

## Fashion and Automobile Imports

Easy money markets and an economic upswing have greatly expanded the growth of imports.

Clothes, textiles, automobiles and other consumer-item imports have considerably increased in volume. This year one-fifth more new passenger cars will have been imported than last year.

Next year too, import volume will rise swiftly and prices will on the average be 12 percent higher than now.

The result will be a surplus (1.4 billion marks) this year and a permanent deficit trade balance next year. This deficit is estimated at 3 billion and the balance of trade at 2.5 billion marks or over 1 percent of the gross national product.

#### Farm Subsidies Increased

Despite tightening of production ceilings, next year farm production will rise by about 1 percent. Production figures for the forest economy are from 3 to 4 percent and for industry 5 percent.

The government will grant 30 percent more farm subsidies next year than this year, or 6.5 billion marks worth, and 6 percent more subsidies for industry, or 1.615 billion marks worth.

Next year from 53,000 to 54,000 housing units will be built.

#### Unemployment Drops

This year's rate of unemployment is estimated at 6.2 percent, which means an average 140,000 unemployed workers. The unemployment rate for next year is estimated at 5 percent.

The level of salaried workers' earnings is expected to rise to a figure 8 percent higher than this year's.

In terms of real income the level of salaried workers' earnings will be raised a half a percent above this year's.

It is estimated that the consumer price index will next year average 7.5 percent more than this year.

#### Appeal for Prior Negotiations

In the economic review, doubt is expressed as to recent favorable development, including a slowing down of inflation, the government's improving on its ability to pay and the strengthening of business firms' ability to compete by giving them too favorable a picture of the future.

The review also stresses the fact that the most essential economic policy task in the near future will be the prevention of price and cost pressures and protection of the ability to compete.

"Next year's price developments will decisively depend on what sort of nominal hikes in wages and other earnings are arrived at during the next wage policy discussions," the review states.

According to the economic review appraisal, every 1-percent increase in labor costs deviating from the assumed norm will accelerate the rise in consumer prices by a half a percent in a year's time.

The review also makes an appeal for prior negotiations to avoid having to reach wage agreements affecting unions, among others, at the next round of negotiations.

#### Next Few Years: Economic Growth Slow, Lot of Jobless

The current economic upswing has changed appraisals of the evolution of the economy over the next few years to cautiously hopeful ones. This is obvious from the review that appears in the second appendix to the budget, in which prospects for the evolution of the national economy covering the years 1981 to 1984 are evaluated. Just a year ago the prospects were hopeless.

The main problem is still unemployment which, it is estimated, will remain at a high rate, independently of economic policy options.

The survey of prospects for development is chiefly an exposition of the background for evaluating the economy. It is based on the Finance Ministry's impressions and is not a prediction, rather an appraisal describing economic policy objectives and measures.

According to Finance Ministry calculations, the achievement of full employment in time for the next review would require a mean production growth rate of 4.5 percent. However, on the basis of international predictions, that rate can probably not be attained, rather unemployment will probably remain at the same level.

The review reminds us that a labor-market balance cannot be achieved by reducing the number of working hours. On the contrary, reduction would interfere with work-schedule activities and the demand for labor would not essentially grow. The shorter number of working hours would be compensated for by an increase in productivity.

#### May - Model

The Finance Ministry offers three models for the conduct of economic policy for the start of the coming decade. All of them are based on the premise that OECD nations production will increase by 3.5 percent and prices by 6-7 percent annually. In Finland production costs will rise at the same rate as in competitor nations and the ability to compete will remain the same as it is now.

The labor supply will grow by a good half a percent a year, while during the same period loss due to displacements and emigration will average 4,000 people.

The starting point chosen for the studies is the so-called basic alternative, whereby development is evaluated on the basis of current economic policy decisions, but temporary recovery measures are not taken into account.

The alternative results in the comparatively slow rate of production growth of 2.75 percent. Thus the unemployment rate would be 7.5 percent.

The slow growth in demand means that a surplus trade balance would be preserved. The state's economic position would be strengthened because of increased taxes and a reduction in expenditures. The tax level would rise by 42 percent.

In the second, so-called expansionist financial policy alternative, an effort would be made to fortify growth by increasing government expenditures and at the same time reducing income taxes in order to revive individual demand. In this way, production would grow by 3.5 percent but 5 percent of the labor force would still be out of work.

The bad side of alternative number two, in addition to unemployment, is that the national debt would grow by almost a fifth of the gross national product and would tie the national economy to the international capital markets.

The third and most promising alternative is the so-called objective alternative. In this one, export and individual investment growth would increase faster than in the other two. Production would grow at an annual rate of 4 percent, there would be a surplus trade balance, the national debt would be a moderate one and the tax level would remain under 40 percent.

However, most important of all, the unemployment rate would drop to 4.5 percent.

In the opinion of those who conducted the survey, the objective alternative is quite satisfactory, even if there are uncertain factors in the calculations and it is only a direction indicator. Realization of this alternative also implies a moderate wage policy so that the ability to compete can be preserved.

#### Advantages of Value Added Tax Doubtful

The survey also goes into a discussion of tax policy. The value added tax does not get the finance minister's unreserved support, even though the system admittedly works and would free exports from the hidden turnover tax. In the present employment situation, the value added tax system would change price relations between labor and capital to the advantage of the latter.

We are warned against believing that benefits would be produced by reducing social security payments. The effects of such a measure on the employment situation cannot be overestimated. It is proposed that taxation of social security benefits be considered because, in the opinion of the ministry, tax exemption has resulted in abuses.



Maintaining a stable tax level will facilitate the realization of significant social reforms in fields like teaching and health care.

The Finance Ministry is afraid that during the next few years the volume of investments is in danger of dropping too low and that their production will be concentrated on reparations and industrial reorganization.

At the present time, the greatest need for investments is in the forest industry. The need for investments in agriculture and forest management, transportation, the service industries and the public sector is judged to be of lesser importance.

The unwillingness to invest chiefly affects modest prospects for demand as well as the uncertainties resulting from the cost of energy.

#### Appendix on Regional Development

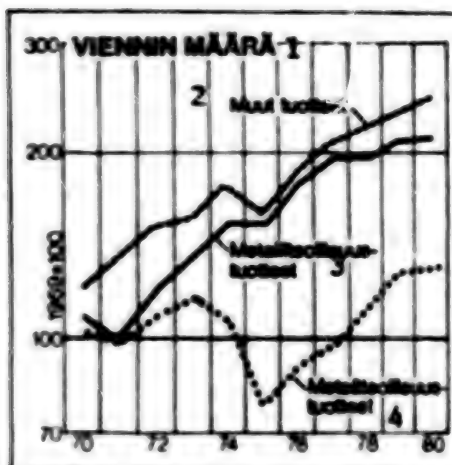
For the first time the income and expenditures appraisal contains an appendix on prospects for regional development in 1980.

It is believed that the situation as regards labor force displacements within the country will continue to be regionally quite well balanced for the next few years. But, on the other hand, a considerable number of uncertain factors are associated with emigration and employment.

The increase in the number of jobs in areas under development expected in connection with demographic planning will require intensification of regional political action. However, the effort to control tax growth limits the opportunities for doing so, since the national economy's room for maneuvering is little enough aside from this. Southern Finland's share of government funds for labor, grants and loans probably cannot be reduced to too much below what it is now if unemployment in the South remains high.

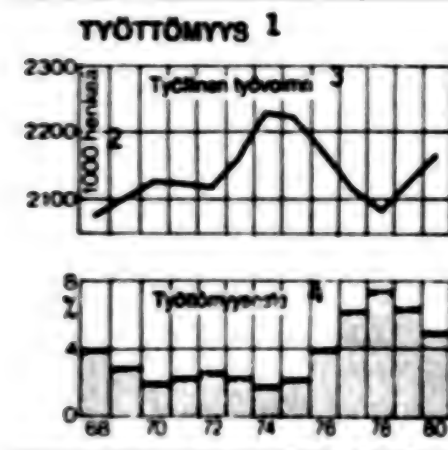
#### 1980 Budget Goals

	Percent
Unemployed	5
Nominal wages to rise	8
Real income to rise	2
Prices to rise	7.5
Farm support to rise (6.4 billion marks)	30
Industrial support to rise (1.6 billion marks)	6
Gross national production to rise	4
Exports to rise	3
Imports to rise	8
Consumption to rise	4
Investments to increase	6
Overall demand to rise	5



Key:

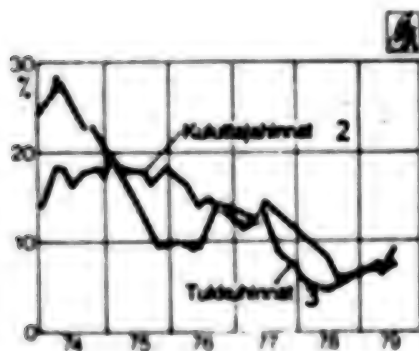
1. Export volume
2. Other products
3. Metal industry products
4. Forest industry products



Key:

1. Unemployment
2. Workers [individuals]
3. Employed labor force
4. Unemployment rate

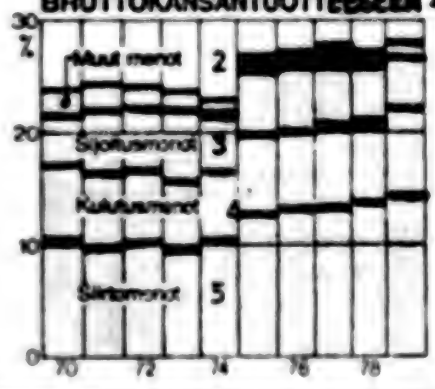
**HINTOJEN MUUTOKSET 1**



Key:

1. Price changes
2. Consumer prices
3. Wholesale prices

**VALTION MENOT SUHTESSA BRUTTOKANSANTUOTTEeseen 1**



Key:

1. Government expenditures in relation to gross national product
2. Other expenditures
3. Investment expenditures
4. Consumption expenditures
5. Carry-over expenditures

11,466

CSO: 3107

## BUSINESS ORGAN ATTACKS 1980 BUDGET AS 'INFLATIONARY'

Helsinki HELSINGIN SANOMAT in Finnish 16 Sep 79 p 37

[Article: "Industrial Confederation Criticizes Government: Budget Proposal Will Make Business Slump Worse"]

[Text] According to estimates made by the Industrial Confederation, the government's budget proposal will make the business slump worse and speed up inflation. In only weakly supporting overall production growth, in the opinion of the confederation, it will not affect a change in the employment situation. On the other hand, the confederation views the industrial support policy and promotion of exports as positive aspects of the budget proposal.

As in its annual custom, the Industrial confederation has publicly announced its position on the budget. Among its chiefly critical comments, it also extended its lukewarm thanks to the government.

The confederation maintained that the basis for the budget proposal is an estimate of next year's economic development, which also quite closely corresponds to industry's impressions. The confederation emphasized that we can already clearly see how growth will rapidly fall off by the second half of next year.

According to the confederation, decisions made in connection with the budget should be supported by continued growth of production and investments. The government says it has also taken this into account, but industry feels that the budget decisions do not in all respects support the stated objectives.

The Industrial Confederation has made its own estimates on the impact of the financial policy on the development of the economy. According to these, while the proposed budget will only slightly strengthen economic growth, it will speed up inflation and make the business slump worse. And it is precisely the employment problem that it will not cure.

## Threatened With Deficits

The beefing up of the balance of trade seems to have stopped and the finance minister predicts that it will show a deficit of fully 4 billion marks this year. The Industrial Confederation notes that at this rate the recession will exceed prior deficits in a couple of years time.

The confederation also warns against resorting to measures that would severely reduce consumption, given the current unemployment rate. The confederation also urged the government to take steps to improve our ability to compete, reduce unemployment and attract investors in order to assure balanced economic development.

## Government Costs Raise Prices

Industry does not praise the proposed appraisal of next year's income and expenditures for slowing down inflation. The Industrial Confederation notes that the government's own price and cost hikes have once again considerably raised the general level of prices.

The confederation furthermore concludes that the public sector does not yet clearly see increasing productivity as an essential means of controlling the pressure of costs.

In the confederation's opinion, government measures that might be expected to alleviate existing cost hikes have remained few in number, although we might well have supposed the government would have done more.

In its criticism of the budget, the Industrial Confederation also devotes attention to tax matters. It says that the budget proposal means an increase in, among other items, the turnover tax on machinery and facilities from the present 7 to 9.4 percent. According to the confederation, this is not compatible with the promotion of production investments, among other things.

## Higher Transportation Costs

The government again proposes that fees and taxes imposed on the transportation industry be raised, all told about 400 million marks. This will impose 160 million marks in additional costs on the industry. The confederation feels that constantly rising transportation costs have also constituted a factor that feeds inflation.

The budget proposal also cultivates the compounding of energy taxes, a situation the industry has repeatedly demanded be done away with by giving up the tax on electricity.

The industry has to pay from 200 to 250 million marks in excise taxes on the energy it uses. That sum is composed mainly of excise taxes on crude oil and transportation services. The confederation notes that now the government intends to collect excise tax on crude oil, oil refinery products and the electricity generated with these products.

## More Support for the Industry

Aside from its many criticisms, the Industrial Confederation has found positive features in the budget proposal. This is the way it feels about the policy of support for the industry, among others. Government aid for companies is to be increased an average 25 percent. According to the confederation, it is significant that with these funds the emphasis will be on promoting research and exports.

Aside from promoting traditional exports, in the opinion of the industry the government has quite rightly stressed the expansion of sales network and the development of planned exports.

Entirely new features in the proposed income and expenditures appraisal are, among others, government aid to small and medium-sized businesses to pay the salaries of new export personnel. The government receives the recognition of the Industrial Confederation for this.

The increase in funds directed toward the promotion of foreign trade is, however, only an apparent one. The confederation notes that nearly half of the additional aid comes from funds transferred into the foreign trade fund.

In its critique of the budget, the confederation notes that the government's program lays emphasis on the correction of inequities in the taxation of small and medium-sized businesses.

In the opinion of the confederation, however, the measures contained in the proposed income and expenditures appraisal do not provide sufficient incentive for businessmen nor for the establishment of new enterprises.

11,446  
CSA: 4107

## POLITICAL REALINEMENTS, FUTURE OF CENTER LEFT

Paris LE MONDE in French 13 Sep 79 p 9

[Article by PRS (Radical Socialist Party) Secretary General Didier Bariani: "But Where, Then, Has the Center-Left Gone?"]

[Text] But where, then, has the center-left gone? This current of thought seems to be going through a Byzantine phase, and a good dose of obstinacy and patience is really needed to keep track of it.

The multiplication of those who claim to have seen it appear among them--to the UDF [French Democratic Union] with the PRS, in the socialist family with the MCG [expansion unknown], somewhere in the middle of the ford with the friends of Robert Fabre--inevitably makes one think of the song "He hunts, he hunts the ferret...."

Everywhere? Nowhere?

But never has a political collocation been claimed so much, and those who claim it belong sometimes to formations or to families of thought which, a priori, one would not have put in this place. This phenomenon is all the more surprising in that the parliamentary expression of this center-left has grown very small--some 30 deputies, perhaps, with a like number of senators, who moreover sit in groups that oppose one another; and what is more, all the elections of recent years show equally well that the electorate which can be recognized as belonging to this current, when men or lists declare expressly and exclusively to represent it, has been relegated to the sidelines.

Thus the hard-pressed myth that in their heart of hearts, the French are of the center-left--that is, radicals--even if they do not always have the opportunity to express it, has a grip on the political class.

And more than one candidate, while not renouncing the label of his political formation, lets it be understood, in the course of his election campaign talk, that he actually belongs to this elusive point of encounter, with an electorate that is no less elusive and that should be situated, as is said, a bit to the left, but not too far from the center, which French Cartesianism always considers the indispensable lifebuoy when matters run the risk of drifting too deep.



Yes, it is surprising to see more than one conservative, and even some wild reactionaries, pulling on this badge of republicanism without which no election is won (no one is on the right in France, as is well-known), or to see many really socialists rightly calculating that before launching joyously into the collectivist adventure, the bourgeois who sleeps in every Frenchman wants first to be guaranteed that while debate must, of course, be sparked, matters should be kept within limits here too.

The question then arises: does the center-left still represent a definable political behavior, and what political family can claim, in a manner that is not unwarranted, to belong to it?

Socialism indisputably has many grounds for laying claim to it, to the extent to which it inherits the tradition of republicanism, humanism, and spirit of reform that traditionally characterize the center-left.

But the republicans have attained their centuries-old objectives so well that their idealism has become the achievement of the entire nation, a heritage which no one challenges any more. This is their glory, but also their tragedy, the best but the worst of things, for if France is radical, it seems not to have known it for a long time now.

There remains the trade name. The firm is an old one, and its sign continues to guarantee republicans' respectability.

The Firm of Radicalism

But if the function of radicalism is reduced to negotiating, at each election deadline, with the big formalities that want to absorb it, for support with a "center-left" coloring and a label of republicanism, then the problem of its survival--a problem raised regularly for several years--will solve itself by itself, through, I suspect, a self-extinction that will not bother anyone.

For its vitality and its strength are to be sought, then, in solitary combats, economic wars no doubt, the results of which, from local elections to legislative ones, from legislative to European elections, signal not so much authenticity as isolation, not as much specificity as marginalization!

Let us recognize, with a great deal of experience to back us up, that the "left" has thoroughly drained enthusiasm of this kind, and that the quality of the intentions of the radical fighters of the pure and solitary republican will have been meeting with dispiriting indifference from public opinion for some time past.

It is not sufficient to be alone in order to be attractive. It is also necessary to be understood. This is the most difficult. It is also necessary to stay professional, with an ingenueness that is often no more than a disguise, that the only fights worthy of respect are those that one goes through without anyone else.

Finally, since, on the other hand, it seems salutary to spurn the skills of those on the top of the pile who find it judicious to have one foot in each camp, in the name of an ecumenism which is only a window-dressing for convenience, we are thus posed the problem of knowing how the diaspora of the center-left can usefully express itself in the public life of this country. By raising, first of all, the question of strategy; by asking ourselves whether the association of the center-left with larger groupings condemns it to disappearance in the more or less long term or, on the contrary, enables it, in the present state of affairs, to struggle against its erosion and find in such association an infrastructure and a reputation that gets a better hearing for its proposals, even for its deviations. Everything depends, then, on the capacity of the whole of those concerned to hear the voice of those who want to draw it beyond its anchoring point.

The big political groupings often combat inertia very poorly, and the syntheses to which they are led necessarily dilute the support of their most dynamic components.

But the center-left should also find in association a national role, provided that it knows how to demonstrate to its partners with sufficient determination its conviction on its principal objectives and the main points it wants to defend. It is a teaching task and an everyday effort and--we realize--a problem of relationship of forces. And if, on some evil day, our partners, stricken with permanent deafness in our regard, cause the breaking-off of our commitments, we will have to give explanations to the country--explanations that would be understood better if they were founded on disagreements about choice of society. This would be far better than if they were based on splits caused by ill-humor, unending tactical blackmail that did not take the right turn, or dissent on account of any personal consideration.

There remains the major problem on which our very existence depends--namely: "Do we still have something original to say?" How to find the right channel by which to transmit a heritage that is broadly identified with that of the Republic, and to reply to the questions of the future, which require a revision of habits of thought and ways of acting?

Will we know how to draw from our past a special capacity to deal with the problems of tomorrow?

A political family will no longer be judged, in the years to come, on patterns of thought conceived in abstracto, on immutable ideological references, on prophecies situated outside time; its vitality will depend on its ability to provide answers for the situation in which French society finds itself. The word "crisis" is no longer suitable. For we have to talk about entering a new era: France, in effect, is going at full speed into a quiet revolution, which the French still refuse to see, and one can safely bet that society will be changed and that new world balances will be sought.

The rapid growth of the last 20 years has, in effect, ended. The crisis of energy and raw materials, the upsurge of the Third World, and the international

summary difficulties are profoundly jeopardizing the progress of the standard of living and the way of life itself. Employment is at stake in a challenge that is out of all proportion with those that French society has already made up.

Will the center-left know how to use its experience of democracy to propose solutions that make it possible to create new activities, new technologies, to plan and program the formidable change in the employment of the French people? And we know that in the short term, remote-control automation and microcomputer technology will be the favored instruments of social organization.

Is it repulsive of our people to see, know and understand that it is necessary to consider the challenges of waste, the industrial restructurings, the underemployment and occupational mobility as so many temporarily inevitable consequences of a great upheaval, that it will be necessary, in order to take up this challenge and forge a new destiny, to have greater solidarity of the body social and a real consideration of the bonds between the generations, working together in a real struggle against the inequalities that have become intolerable?

Will we be able to get people to understand that the answer lies not in the perpetuation of state-controlled production and distribution systems, that were conceived of more than a century ago and that are now outdated, but rather in the establishment of a society of national solidarity, which will imply responsibilities, challenges, and sacrifices also from those who are privileged?

Our citizens in difficulty are waiting for something other than pious words, pity, or the expression of an ostentatious charity. The politician's duty, the duty of the reformist left, is to explain that it is necessary to have the courage to accept a more fraternal sharing, less from abnegation or sacrifice than from need and solidarity.

Will we know how to develop, a political system dear to the men of the center-left who were its founding fathers, a very imperfect political system, conditioned by reason of the fact that the Republic remains largely to be done, for which requires us, overall, the maintenance of our fundamental liberties. This system corresponds to a living but fragile ideal, vulnerable and threatened. Fragile, so fragile that the number of men and countries in which democracy can be recognized diminishes in the world each day, to the point that other countries are seeing it gradually disappear.

Vulnerable, so vulnerable, for periods of economic upheaval and poverty are years accompanied by wild demagogues, and by the temptation of totalitarianisms of all kinds.

Threatened, especially, as threatened in its very nature, for the investigation into new technologies and new sciences in the area of the government shows an ever greater concentration of political power, forms which absolutely

change the known patterns and methods of control that, for us, define our guarantee democracy. I cite as proof the sort of bullying of parliamentary control which every elected representative can observe daily.

In this area also, the republican sensibility should create for us a special facility for vigilance and action in the field--the one on which everything depends--of the rights of man.

#### The Stakes and the Means

Let us note, before starting, that any party or any leader who, when elections are about to arrive, does not have available the press, television and the money necessary for his omnipresence is in a diminished position from the start. There is the absolute necessity for any formation to have--or even to create, if necessary--"stake" who will be called on to ensure its popularity and guarantee its personality.

Let it be the role of the center-left to get public opinion to realize that if, in this situation, it no longer informs itself, or limits itself to seeking its information through the extensive schematization of degree symbols or established tradition, its democracy is threatened, and that we are far from the enlightened attitudes to which the artisans of universal suffrage had based the form of its perfectibility. This situation will have to be remedied, or democracy will be lost without hope of return.

However, finally, the parties are out of touch with political reality. They will have to change their language and get with the times in order to remain the representatives of a society whose formidable political and social mutations have unfolded only with uncertainty and delay. The stakes are a sum of risks which must, more responsible, with greater solidarity. These stakes require something other than good will without risks. They require an immense intelligence. The stakes are a warm and generous activity, but that activity must be a break with old habits and the challenging of our traditions and of our collective attitudes, a society that will perhaps resemble us as we are today, but before that world decides once and for all, and abruptly, to get rid of our insufficiencies and its disappointments. The stakes, in short, will be a transformed society belonging to the future, and to the present of it, we will be condemned in the long run by the moral crisis of the other continents and by the crushing weight of the danger that feeding slavery and that break men.

And the world, the stronghold is tightening every day on the countries of the North. We will have more only by our will and it is also necessary for all our fellow citizens to want to fight to save it. The international national question will depend on the weight of our efforts. The danger will have its release d'etre, and with it and by it, the habit of the North, which is not yet to be its political expression if it does not want to translate these realities, these aspirations, these

## PCI REPLY TO CZECHOSLOVAK DISSIDENT'S APPEAL

## Reiman's Appeal to PCI

Rome RINASCITA in Italian 10 Aug 79 p 30

[Text] Dear friends: On 4 June last the attorney general and interior minister of the Czechoslovak Socialist Republic announced that criminal proceedings had been started against ten signers of Charter 77, all of them members of the Committee for the Protection of Unjustly Persecuted. Since the end of May, two of the three current spokesmen for Charter 77, Vaclav Benda and Jiri Dienstbier; noted playwright and former Charter 77 spokesman Vaclav Havel; Petr Uhl, editor of Charter 77th news bulletin; Ladislav Lis, former vice president of the World Federation of Democratic Youth, and other well known personalities have been arrested. All have been charged with "criminal activities against the interests of the Czechoslovak state." There is no question but that the whole thing has been fabricated out of thin air. The underlying thrust of everything Charter 77 does, as has been emphatically repeated time and time again by its representatives, has been and remains engaging in dialogue with the national authorities with the aim of assuring full compliance with and respect for the law and for the commitments stemming from the republic's international agreements, and in particular for the rights and liberties of its citizens. Charter 77's activities have been open and public, its documents and other information on its activities have been regularly published and are readily accessible to anyone interested in seeing them. Nor can there be the slightest doubt as to the legality of the great public service rendered by VONS. There is no longer any shred of secrecy surrounding the extraordinary extent of illegal police and judicial attacks on the conditions of existence here. All this has been reported many times, on the basis of specific and readily verifiable facts, in the world press, including the press of a long list of communist parties.

These latest events in Prague have been fully covered by the mass media in many countries, including Italy, and have given rise to a great many public protests. However, the news from Prague indicates the danger of further escalation in this disregard for the law; it tells us that they are preparing for a political trial of people who may well be in danger of long prison terms; there is absolutely no guarantee that there will be any public argument whatever, or a truly objective and unbiased verdict, or even respect for the right of the accused to counsel.

For all these reasons, I should like to address an urgent appeal through the columns of your magazine directly to Italian communists. In years past we have had good reason to know you for friends of our country. The political positions you took during the Sixties helped us bring the reform movement to birth; in 1968 we met you in the streets of Czech and Slovak cities, as allies of a free, democratic, and socially just Czechoslovakia. We have many times heard your voice since 1968, when you denounced the armed invasion of our country and the consequences of that invasion. What is transpiring in Czechoslovakia today is most assuredly not merely a matter of its own domestic business. Lawlessness and tyranny feed upon themselves whenever the solid wall of public opinion and the solidarity of all men of good will is not raised up against them. Impunity allowed to lawbreakers begets further lawlessness and encourages others to travel down that same road. The consequences of such a process cannot be confined solely to Eastern Europe: they give rise to concern in the West as well, concern among large strata of the population, which is most assuredly not without foundation. This constitutes an impediment to mutual understanding among different political forces, to international détente, and to social and political progress, as well as to the solution of the urgent and pressing problems of many nations. You well know how sorely it is hurting Italy today. In my view there is nothing quite so fraught with danger as the belief that peace and social and political progress can be achieved in only part of Europe, while the other part continues to be the field of illegality and the tyranny of arbitrary use of power.

Italian communists today have a special responsibility, not only because they are one of the great political parties of Europe, or because they speak for a good third of the Italian people, but also because they can speak out and be heard by those portions of the population in the East who cannot hear the voices of other European political forces. This means that Italian communists can make a major contribution to the solution of a long list of burning issues of vital import to all of Europe. That reality does not change, and we had many a chance to prove that fact in Czechoslovakia during the Sixties -- not even in



the face of probable negative reactions on the part of individuals or agencies bearing or sharing the responsibility for illegal and arbitrary actions.

I have no brief to speak for anyone at all, and yet I should like to voice my conviction that many people in my own country and perhaps elsewhere as well, expect the Italian Communist Party to take a decisive, consistent, and uncompromising stand on the state of affairs now prevailing in Czechoslovakia; they expect a responsible stand in defense of those who are being unjustly persecuted because of their political convictions or their religious beliefs. [Signed] Michal Reiman, Tuebingen.

The PCI has repeatedly expressed and confirmed -- and once again I wish to confirm it in response to this appeal -- an "uncompromising" critical position on events in Czechoslovakia and on the painful situation prevailing in a country which is dear to us. Nor can there be any doubt as to our position, on principle and in fact, against any persecution based upon the political convictions or the religious faith of any citizen whosoever.

We will not and we cannot act as judges, partly because we do not have full and complete knowledge of all the facts.

What we hope for is not, however, only tolerance and respect for freedom of thought and belief, but also that Czechoslovakia may find again the unity of all who cherish socialist ideals. For this reason, beyond parcelling out shares of blame -- of differing kind and degree -- for the bitter conflicts that have become ingrown in Czechoslovakia as a result of familiar historical circumstances, we would once more voice the hope that there be concerted and converging efforts made by all concerned.

This is the more feasible the more certain problems and requirements are daily felt within the party's ranks and among those who are outside them. [Signed] L.B. [Luciano Barca, editor-in-chief of RINASCITA and member of the PCI Directorate.]

#### Reaction to PCI Reply

Rome RINASCITA in Italian 31 Aug 79 p 31

Text We publish these three letters received subsequent to the letter from Michal Reiman and the reply from RINASCITA's editor-in-chief which was published along with it. Comrade Barca, who is out of the country, has no immediate response.

Letter from Giuseppe Boffa

Dear Barca: Allow me to express my dissatisfaction with the

note which RINASCITA's 10 August issue printed right after the letter from Michal Reiman.

Certainly, it is all very well to hope that "unity among all who cherish socialist ideals" will be found again in Czechoslovakia, and then that there may be "a convergence of efforts on the part of all." But it is hardly likely that such wishes will have even the beginning of fulfillment so long as one part of the people RINASCITA addresses, that part which is in the government today under circumstances all too well known to all, subjects the other part to arrest and repression, forces it into exile, and strips it of citizenship (which is what happened to Reiman precisely because he wrote for RINASCITA).

In view of the specific cases of the recent arrest of spokesmen for Charter 77 cited by Reiman, which have troubled broad sectors of democratic opinion, I do not think it right to say: "We will not and cannot set ourselves up as judges, partly because we do not have precise knowledge of all the facts." The political motivation behind those arrests is all too clear. If we know nothing more than we do, it is because the Czechoslovak authorities have not furnished complete information. The government's charges against those arrested are extremely vague, and formulated in such a way as to leave ample grounds for suspicion that the intention is to put a stop to their political activity, even though it was conducted in full compliance with Czechoslovak law. Hence there is no question here of setting ourselves up as judges, but rather of asking that, if those citizens are to be prosecuted, they be tried in such a way that all their rights are scrupulously guaranteed and that world opinion be allowed to be informed by impartial observers. This is no superfluous request, since thus far this has not happened. Should it subsequently be proved that the charges amount to political repression, which for the time being is the only probable assumption, those citizens must be freed. The same holds true, of course, for the others who are in prison following judicial procedures which did not provide such guarantees of law.

This is what I believe the socialist ideals we all hold dear must compel us to demand.

[Letter from Adriano Guerra]

Dear Editor: I do not think it was fitting or proper to reply to the letter from Michal Reiman (who, as RINASCITA readers well know, is no "expatriate de luxe") by saying, even after clearly repeating [six words garbled here] the criticism voiced in the past in relation to "events" in Czechoslovakia since 1968, that, with regard to these latest reports of repression we could not

"set ourselves up as judges" because we did not have "precise knowledge of all the facts."

As to the judicial proceedings now under way in connection with a group of Charter 77 spokesmen, and more generally as to the situation now prevailing in the country, we are indeed possessed of several pieces of "official" confirmation and, more important, of the testimony of men who, like historian Reiman himself, are entitled not only to our solidarity, but to our esteem as well. It would perhaps not be amiss to point out that, as RINASCITA itself reported at the time, Reiman has always taken a stand, as he did at the international conventions in Venice and Florence, against using dissent for anticommunist purposes, as well as against the attitudes of other exiles who have been forced, partly by the policies taken toward them in the socialist countries, into the trenches of the struggle against detente.

As to the question of information, when you allude to the difficulties we so often encounter in gathering "all the facts," you must certainly be referring, first and foremost, to the obstacles the Czechoslovak authorities place in the way of journalists trying to do their job. In fact -- consider the case of the French attorneys who asked in vain to be permitted to go to Prague to observe the courtroom proceedings -- it is certainly no easy matter either for Czechoslovak citizens or for those of other nations to attend trials, to speak to the accused, or to conduct interviews or gather information.

But if this is the way things stand and if therefore the news we do get from Prague is certainly and so very often scanty, incomplete, and even one-sided, it follows, not that we should suspend judgment, but rather that we should voice criticism even more specific and detailed, as we have done in the past on the subject of news in socialist countries.

I wanted to add, in conclusion, that 11 years after the military intervention, it is certainly to be hoped that "unity among all those who cherish socialist ideals" will soon be found again in Czechoslovakia. The dialogue on socialism certainly cannot come to pass, though, as you yourself pointed out, for that matter, recalling our stand on principle and in fact "against any persecution motivated by the political convictions or religious faith of any citizen whosoever," in any courtroom.

Again, this is one reason why what Reiman wrote (which will be talked about wherever people gather to discuss the two Europes or the international role of the PCI) is so very interesting: it reminds us that precisely in the quest for some common ground with the authorities of the country on the issues of respect for the laws and for international agreements lies the profound significance of Charter 77.

Thank you for the hospitality of your columns.

[Letter from Giuliano Procacci]

Dear Barca: It was with deep emotion that I read Michal Reiman's letter in the latest issue of RINASCITA, dealing with the trial of the Charter 77 spokesmen.

I must tell you frankly that I cannot share the sentiments expressed in the editorial postscript, stating that "we will not and we cannot set ourselves up as judges, partly because we do not have knowledge of all the facts." This is a statement that stands as the rationale for all that follows. I believe that the facts we have gleaned from the world press and from the many depositions taken in this connection constitute more than sufficient grounds to bear out what Reiman says about the flimsiness of the charges, and upon which to judge for ourselves. If this were not enough, we can fall back on the bitter lessons of the past and of experience. Without going back into ancient, though not forgotten history, I remember that this same Reiman, as your readers know because RINASCITA at the time provided full coverage, has been stripped of his Czechoslovak citizenship merely for having contributed to the PCI's magazine.

Consequently I believe that it is urgently necessary for us to tot up the practical consequences of this business, and to state clearly that should appeals for the freeing of the Charter 77 spokesmen unfortunately fall upon deaf ears, the prosecutions announced by the Czechoslovak attorney general take place forthwith and be surrounded with all the guarantees of legality, of publicity, and of monitoring which may prove necessary. I further hold that should the charges lodged against them prove to be, as I believe they will, unfounded and trumped up, the accused be forthwith released and that all their civil rights be restored to them, including their right to dissent and their right freely to demonstrate that dissent.

This seems to me the necessary premise for avoiding any repetition of arbitrary use of power and for paving the way to that "dialogue with the national authorities" of which Reiman speaks and for that "unity among all those who cherish socialist ideals of whom your editorial comment speaks and which all of us are at one in hoping for.

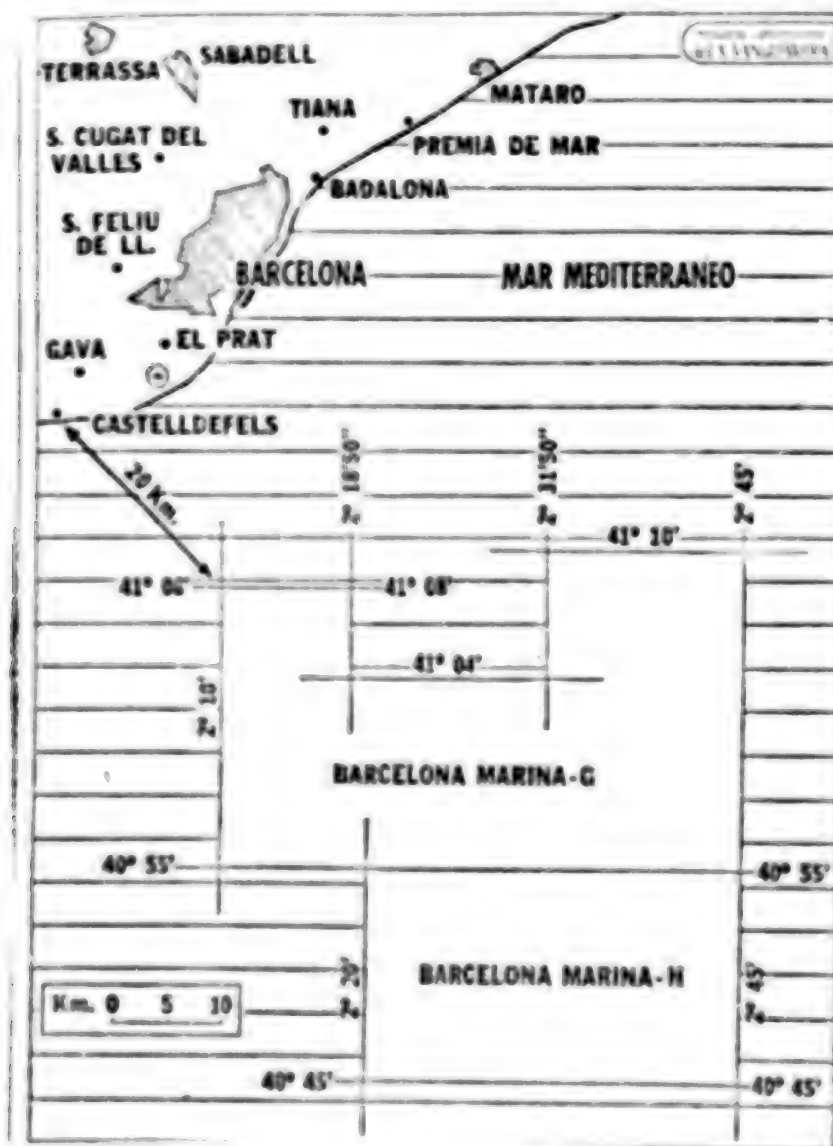
6152

CSO: 1104

## NEW OFF-SHORE DRILLING SITES

Barcelona LA VANGUARDIA in Spanish 13 Sep 79 p 3

[Text] The National Enterprise for Petroleum Research and Development, S.A. (ENIEPSA), Elf Aquitaine Petroleum Research, S.A. and Total Hispania, S.A. have asked the general energy directorate for two hydrocarbons exploration permits. The first is known as "Barcelona Marina-G" and covers 100,211 hectares, and the second, "Barcelona Marina-H," comprises 65,190 hectares. The map below shows the area in which the two permits are being sought.



## INDUSTRIAL SITUATION DETERIORATES, ORDERS DECREASE

Madrid ABC in Spanish 13 Sep 79 p 31

[Text] The main variables that characterize the economic cycle in the industrial sector experienced another downturn in July. Both the backlog of orders and the output level recorded sharp drops in their net balances. Nevertheless, trend-related variables, which had been falling over the last few months, scored gains which, if subsequently confirmed, could point to a pickup in industrial pace throughout the second half of the year. This can be seen in the economic survey taken by the Ministry of Industry and Energy.

According to the results of the survey, the 9 point drop in orders during July means that this index has fallen 17 points over the last 2 months. This sharp drop in orders is seen as the logical outcome of the tailing off of the expansionary consumption cycle that lasted through the first half of the year.

Stocks Stable—The two percent increase in the number of businessmen who consider their stocks of finished goods below normal for this period of the year shows up in the overall figure for this indicator, which is also up two points. In contrast to what happened in the previous cycle, the stocks of finished goods are not at the high levels that would be in keeping with a backlog of orders such as the one currently maintained by industry. This indicates that the pace of production is slowing down.

The stocks of raw materials, both overall and by sub-sector, fell during July, the sharpest drop occurring in the sub-sector of consumer goods.

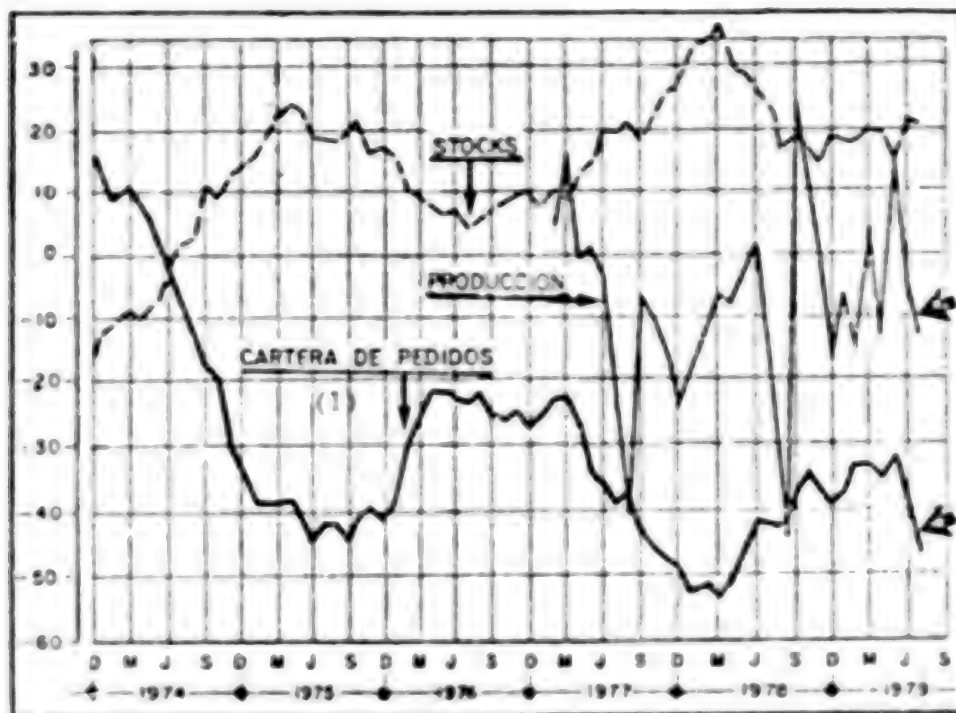
Production Down—According to the results of the survey, July output recorded another drop, eight points, from the previous month. Quantitative indicators also point to a production slowdown throughout the second quarter.

In connection with their expectations for the coming months, businessmen feel that there is going to be a rise in production in keeping with the improved prospects for demand that they indicated in their response to the question on the trend in orders.



Construction: Improved Prospects—Aside from the results of the monthly construction industry survey, the Industry Ministry's economic survey emphasizes that the sector's quantitative indicators point to a falloff in activity throughout the first half.

July indicators show gains in the contracting of new projects and in the pace of activity in relation to the previous month. In terms of forecasts, businessmen expect a slight improvement in this branch in the coming months.



Key:

1. Backlog of orders

8745

CSO: 3110

## ARTICLE LOOKS AT CONTINUED INFLATIONARY PRESSURES

Madrid ABC in Spanish 7 Sep 79 pp 30, 31

[Text] Now that summer is over, the country is getting back to normal. Tired citizens are returning to their jobs and duties, and as usual (now almost a mandatory development), Spaniards returning from their vacations suffer the violent onslaught of price rises, which seem to consolidate and build up strength over the summer.

Although price increases are, as we have said, something that people are used to, this year they have been particularly sharp. The rise in petroleum prices has given way to an updating of energy prices, with its flood of repercussions. The OPEC decision has also been used, however, as an alibi or, at least, a pretext, to revise the prices of a string of articles that have been kept at levels that were artificially low but helpful in preventing cost of living indices from skyrocketing.

## Prices Versus Wages

Despite all the ploys, however, prices have jumped, and by June the inflation rates anticipated by the government had been easily surpassed. This gave rise to a wage readjustment which, although it might cover the price rise over the first half of the year, we fear will be insufficient for what awaits us in the second half.

In any case, the fact is that upon returning from their vacations, Spaniards were suddenly and harshly met with price increases for telephone service, light, transportation, textbooks, university tuition, movies, theaters and a long list of et ceteras. Well, at least we citizens are already used to returning poorer from our holidays.

## Social Costs

The really serious thing is that one of the most disturbing problems in our social and economic life becomes evident in the wake of these price rises. Inflation has not yet been contained, and while efforts

are being made to control it, unemployment is constantly on the rise and becoming an element of social destabilization.

As we will recall, the price index was expected to rise 4.5 percent during the first half; there was a gap of 0.6 percent between forecast and reality. In July, the consumer price index jumped 2.3 percent, which was termed "excellent news" by Vice President Abril Martorell, bearing in mind that the increase was 2.2 percent in July of last year and that the direct impact (pegged at one percent) of gasoline price increases began to be felt the previous month.

The repercussions continued to be felt in August, and according to the administration estimates examined by ABC's economics section, the next rise could be between 1.5 and 2 percent, which would mean that prices have risen about 12 percent from January through August.

#### Repercussions of Petroleum Prices

The major elements in this unexpected rise in the cost of living in July were transportation and communications (up 7.8 percent), as a result of the impact of gasoline prices, which alone added 1.6 percent, and housing (up 4.1 percent), where the new prices of gas oil and butane tanked on 2.1 percent.

Increases in the remaining groups were more moderate: food, beverages and tobacco rose 1.8 percent in June; garments and footwear were up 1 percent; household furniture and services, up 1.4 percent; medical services and health care, up 0.1 percent; recreation, sports, cultural events and education, up 0.8 percent, and miscellaneous expenses, up 0.7 percent.

#### Comparison from the OECD

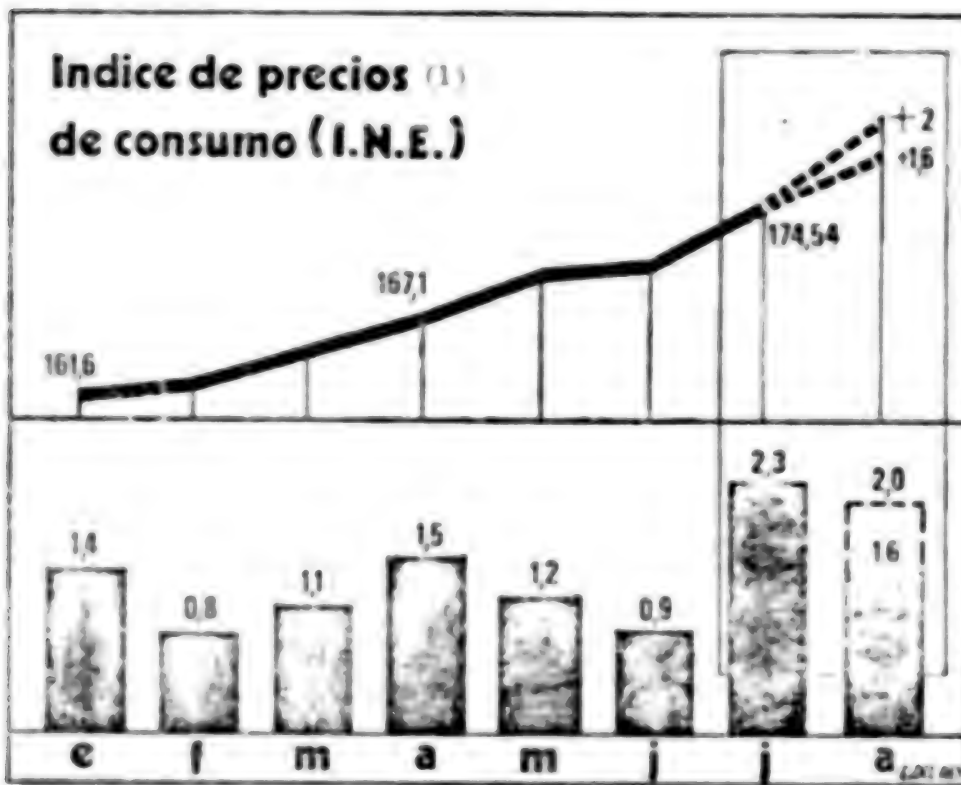
Despite the alarming nature of these indicators, we should perhaps mention in their defense that the trend in the OECD countries that are Spain's leading trading partners has been similar. For example, the average for the January-June period was 11.8 percent; it was also 11.8 percent in the European countries that belong to the organization, and the EEC recorded 10.7 percent.

We should stress that the pace of price increases has quickened in the most powerful countries with the greatest degree of control, such as the United States, which has gone from 10.9 to 14 percent; Germany, from 5.8 to 7.5; the United Kingdom, from 11.4 to 15.7, and even Switzerland, from 4.1 to 8.3.

In short, these figures show that inflation in Spain approximates inflation in the OECD countries, both as a result of our efforts to cut it and the increases in the remaining member nations.

## The Bad Facts

But all of this is nothing more than a theoretical observation. The fact is that Spaniards have to pay more pesetas for the same goods and services. ABC's economics section has left the laboratory behind and taken to the streets to conduct an indicative survey with a necessarily very limited number of items. Without trying to frighten readers, it gives an idea of what the second half of 1979 is and could be like, a year that is shaping up as especially harsh on Western economies in the tunnel of a crisis that is lasting all too long.



1979:

1. Consumer price index

1979:

1979: 1110

## GOTHENBURG ELECTION RETURNS REFLECT NATIONWIDE PATTERN

Stockholm SVENSKA DAGBLADET in Swedish 19 Sep 79 p 2

[Editorial: "The Election in Gothenburg"]

[Text] Three years are enough.

This is obviously what voters in Gothenburg thought, and they saw to it that the Social Democrats (supported by the VPK [Left Party Communists] and APK [Labor Party-Communists]) and Sven Hulterstom (Social Democrat), the 1976 election winner, were placed in a position of opposition in the House in Gothenburg up to 1982.

Just as in Stockholm's City Hall, a very small party will, just as surprisingly, take its place on Gothenburg's 81 seat strong city council. It is the Municipal Voters of Hisingen, which is the equivalent of the Stockholm Party.

In Gothenburg the party will not be in a position to cast deciding votes since the Conservatives, the Liberal Party and the Center Party together have got 41 seats on the city council as against the Social Democrats' 31 (minus 4) and the VPK's 8 (plus 2).

Gothenburg is still the strongest bastion of the Liberal Party in the country, despite a 1.6 percent loss in the parliamentary elections to 16.3 percent. As late as 1970 the Liberal Party actually got 31.9 percent of all votes in Gothenburg, while the Conservatives there achieved only 10.5 percent and the Center Party 9.3 percent.

A total change in the situation has now occurred. The Conservatives are clearly the strongest party both in the parliamentary election and in the local municipal council.

On the council the Conservatives now have 18 seats (plus 5) against the Liberal Party's 16 (minus 1) and the Center Party's 7 (minus 3).

In the parliamentary election the Conservatives got 16.3 percent in the 1973 election; in 1976 the figure was 17.3 percent, and this year almost precisely one out of every four Gothenburg residents, 24.9 percent, voted for the Conservatives.

For the Social Democrats, who have had such great expectations for continued wins during the 1970's which have previously been such favorable years for the party in Gothenburg, this year's election must have been a great setback and disappointment.

In the parliamentary election the drop was 0.6 percent to 35.0 percent and in the city council election the election loss was as much as 3.3 percent to 47.5 percent.

The decline is not unexpected, however, if what has happened in the city council is taken into account. The only prescription the Social Democrats have had for managing the municipal economy has been tax increases. The Gothenburgers apparently have not forgotten the record-high tax increase a few years ago.

In any case, 3 years were considered enough.

Just as in the rest of the country the VPK had a good election in Gothenburg.

In the parliamentary election the party went from 9.0 to 10.0 percent and in the city council the increase was almost equally great, 1.7 percent, to 3.2 percent.

This means that in both the parliamentary election and the municipal council election the VPK got more votes than the Center Party, which as recently as in the previous 3 years was approximately twice as large as the VPK.

Following the municipal election success the VPK becomes entitled to fill a seat on the municipal council in accordance with the rules which prevail in Gothenburg.

The party will probably also get a seat -- if they want to have it. The responsibility which ostensibly goes with carrying a city council position is not without some possibility for carrying on some open discontented campaign as the VPK has done for the last few years in Gothenburg.

For the little party The Municipal Voters of Skövde, other local elections will be held in this year's election either. The SEK [Socialist Party] and the VPK [Vänsterpartiet] and the VPK [Vänsterpartiet] are all going to run as a group.

Despite the fact that the Municipal Voters of Skövde managed only to gather 2.05 percent of the vote -- 2,005 votes, in the end -- the party succeeded in getting the majority because all the votes were in one precinct.

For the Swedish Party the party's success is interesting. However, just as the Swedish Party it has shown that even in major cities it is possible to obtain seats on the city council with small party formations.

In the future a new development which will intensify in the next election. The Government Party does not increase their efforts to satisfy various minority demands...



It is now obvious that the chairman of the municipal council in Gothenburg will be named Stig Gunne (Conservative), despite the fact that he does not intend to be a councilman. It is also a well-deserved tribute to Gunne after five decades of municipal work.

The good cooperation between the Conservatives, the Liberal Party and Center Party -- initiated as early as 1966 -- will continue, to the benefit of the people in Gothenburg. This is evidenced by statements made both by Rune Zachrisson (Liberal Party) and Bengt Bengtsson (Center Party) after the election. That is gratifying.

Because Gothenburg deserves a better government than what the Social Democratic minority -- supported by communists -- has been capable of providing for the country's second largest city for the past 3 years.

11949

CSO: 3109

## POSSIBLE GOVERNMENT ALTERNATIVES WEIGHED

Stockholm DAGENS NYHETER in Swedish 19 Sep 79 p 2

[Commentary by Ake Lundqvist: "Five Possible Governments"]

[Text] If Parliament gets a bourgeois majority -- what will the government look like?

The election outcome -- with a probable mandate distribution of 1975-174, a strong right wing and a weakened center -- creates great difficulties in forming a government. The situation is difficult to evaluate and the alternatives are many. More precisely, five:

Bourgeois three-party government: Three reasons argue in favor of this alternative. It will be a majority government. This means that the bourgeois parties will realize what they described in the election campaign as their foremost ambition: a non-socialist alternative in politics. And this is certainly what most of the bourgeois voters want.

Center coalition, Center Party + Liberal Party. That alternative means that the center parties stand by their assurance that a bourgeois government must be based on the center policy, something that can become difficult in a three-party government where the Conservatives are the biggest party. A center coalition becomes a minority government, which is a serious weakness, but in exchange it gets increased freedom to move and can try to create parliamentary majorities sometimes to the right, sometimes to the left.

Liberal Party government. In a minority coalition all government proposals must first be negotiated between the coalition parties, and afterwards in Parliament as well. It is an unwieldy and strenuous system. If a minority government is to be created it is therefore an advantage that it consists of only one party, and the Liberal Party is used to it and certainly also has the desire to continue. In addition, the disagreement of the parties over the nuclear power issue would be a difficult strain on a center coalition. A Liberal Party government would avoid these conflicts. And on the part of the Center Party it is an advantage to be able to act freely before the national referendum.

Coalition Social Democrats + Liberal Party. The Social Democrats and the Liberal Party are quite close to one another on many issues, which was evidenced by the Haga agreements earlier in the 1970's. A coalition between them would provide a stable parliamentary majority, the Social Democrats would win a government position despite the minority situation, the Liberal Party would get parts of its program realized and at the same time prevent Social Democracy from developing in a socialist direction. And the Social Democrats would find an alibi for postponing controversial questions which for reasons of opinion the party hesitates to put into practice -- primarily the fund issue.

Coalition Social Democrats + Center Party + Liberal Party. That alternative creates an even broader majority which is of great advantage in a situation that requires a restrictive (and consequently not very popular) economic policy. Another advantage is that the center parties can continue their close cooperation -- a Social Democratic + Liberal Party coalition would mean a break between the Center Party and the Liberal Party, which would be difficult after an election campaign in which the two parties so strongly emphasized their joint views.

All of these alternatives will be weighed, more or less seriously, in party negotiation and internal party deliberations. The outcome is impossible to predict.

The last two alternatives are to be preferred from several aspects. They create the best preconditions for a sensible economic and social policy, which restrains consumption, stimulates production, fulfills the security and distribution policy and does not hesitate to expand the joint sector according to demand.

At the same time these alternatives are the least likely. The election campaign has created tightly locked positions between the blocs. Palme has built his entire campaign on the description of the center parties as the prisoners of the Conservatives. Primarily Falldin, but Ullsten as well, in strongly repudiating terms identified Social Democracy by talking about the "straightjacket of socialism" and similar things.

To their voters the center parties thereby more or less tied themselves to a bourgeois government alternative. It must be nearly impossible to describe Social Democracy as the main adversary throughout an entire election campaign and immediately after the election enter into a coalition with the same party. If the center parties had regarded the Conservatives as a less acceptable government colleague than the Social Democrats it would have been their simple duty to enlighten people about it during the election campaign. This they did not do, despite realizing full well the probability that the Conservatives would become the largest bourgeois party.

On the other hand, they emphasized time and again that a bourgeois government must build on the foundation of a center policy. But never a word that that declaration would shut out the Conservatives. On the contrary, they praised the merits of the old three-party government.

This is why a bourgeois government is the probable result and a bourgeois three-party government the sensible alternative.

The problem is that this government will receive such a narrow majority. It cannot afford a single defection, it must demand total loyalty from the parliamentary groups. This is possible only if politics are close to the center -- as soon as they tilt toward the right the risk increases that Liberal Party members or Center Party members will rebel.

But in the government negotiations this weakness actually represents an advantage to the Center Party and the Liberal Party. They can justifiably maintain that the influence of the Conservatives, despite the election success, cannot become greater than in the previous three-party government. And the Conservatives are forced to accept this, because their only alternative is to be completely shut out of political influence.

A bourgeois three-party government with limited Conservative influence is thus nearest at hand and politically the most honest result of the election campaign and the election outcome -- should the election mean a bourgeois majority in Parliament.

119.9  
CSO: 3109

## SOCIAL DEMOCRATS' CAUTIOUSNESS MAY HAVE COST THEM ELECTION

Stockholm DAGENS NYHETER in Swedish 18 Sep 79 p 2

[Commentary by Olof Petersson: "The Wind Turned Toward the Left"]

[Text] Whoever 3 years ago thought the Social Democrats would utilize the years as opposition party to form a broad offensive in the field of economic democracy was mistaken. The Social Democrats avoided conflict on many central issues and the voters' answer seems to have been to wait and see. A cautious strategy has led to a cautious voter reaction, Assoc Prof Olof Petersson writes in an analysis of the election results.

What is most striking about the preliminary election results is of course the success of the Conservative Party and the losses of the Center Party. The relationship of strength within the bourgeois bloc has thereby changed drastically. For the first time in 20 years the Conservative Party is the largest in the bourgeois group. The Center Party has lost one-fourth of its electorate.

Other than that the changes are minor. The Social Democrats more or less regained the not quite one percent they lost in 1976. The VPK [Left Party-Communists] is also back to the situation of 1973. Liberal Party losses are limited to one percentage point.

However, fluctuations in the electorate were greater than these figures of change indicate. Despite the fact that the current opinion polls are marred by several sources of error they still reflect the principal tendencies in the changes in party sympathies. Now, afterwards, it is thus possible to make a crude outline of how the popularity of the parties has increased and decreased during the period between elections.

The Social Democrats gained almost immediately after the losing election in 1976. The upward trend continued in 1977 and the first half of 1978. The high point seems to have been reached in the summer of 1978. In September 1978 SIFO [Swedish Institute for Public Opinion Polls] even reported that

the Social Democrats had an absolute majority of voters behind them. But then the trend turned around. During the winter and spring of 1979 the Social Democratic share of the voter popularity decreased. According to the SCB [Central Statistical Office] the Social Democrats were down to 42 per cent in May 1979; SIFO had reported the same figure in March.

The Social Democrats thus did not succeed in returning to the extremely favorable level of opinion of a little more than a year ago. This could also not be expected. Behind the high opinion figures were probably many bourgeois sympathizers who saw a chance to express their disenchantment with the conflicts within the three-party government.

#### Anticipated

It is interesting to note that the Social Democratic party leadership to a certain extent suspected that the abstaining votes in favor of Ullsten in October 1978 would lead to declining popularity figures. Behind the Social Democratic decision lay considerations in which the desire to splinter the bourgeois bloc, reduce the influence of the Conservatives and open the door to unifying parliamentary solutions were finally allowed to weigh more heavily than the disadvantages in opinion polls, both internally within the party and in the electorate, which would probably result. Perhaps the ensuing drop in party sympathy became still greater than expected.

It is customary to expect that Social Democratic mobilization in the election campaign normally leads to an increase for the party. This year that surge at the end of the election campaign seems to have been relatively moderate. Even so, the election campaign was considerably more successful on the part of the Social Democrats than in the 1976 election. At that time the Social Democrats were forced into a defensive position on the issues of nuclear power and wage earner funds. This year the Social Democrats were able to debate these controversial issues. Whoever 3 years ago believed that the Social Democrats would utilize the years as an opposition party in order to take a broad offensive in the area of economic democracy was mistaken. The Social Democrats refrained from starting a battle over many central issues. The answer of the voters seems to have been to wait and see. A cautious strategy led to a cautious election reaction.

On the part of the Liberal Party the narrow loss must have been a disappointment. After the party had assumed the power of government in October last year, 6 months of rising public opinion figures followed. The Liberal Party appeared as the leading power on the bourgeois side. Supported by the Chancellor, bills and press conferences the Liberal Party landed in the center of the political focus. But the successes in public opinion reinforced the attacks by the other parties on the minority government. The picture of Ullsten as the country's unifying leader figure became somewhat tarnished.

#### Mistake

It was probably a mistake to build up the election campaign so strongly around being in a government position. A strategy which had a certain



amount of success on the stage of the Chancellery could not out of hand be applied to the election arena. The appearance of the Liberal Party turned out to lack profile and in all probability the position of the Liberal Party weakened among the voters during the election campaign.

The decline of the Center Party in relation to the previous election is in itself catastrophic. But the point of comparison is not quite fair. The weeks just before the 1976 election were totally dominated by nuclear power. The Center Party was then favored by the election debate and in that way was able to avoid the threat of a major loss of votes. The decline of the Center Party in 1976 turned out to be less than expected.

Seen from a somewhat broader perspective the Center Party has had declining public opinion figures ever since the record election of 1973 (25.1 percent). To be sure, short-term factors, in particular in this year's election campaign, may have contributed, but if the decline of the Center Party is to be explained the negative trend during the last 6 years must be taken into account. The Center Party's losses can neither be explained nor explained away by means of this single election.

The Conservative Party now has three successful elections in a row behind itself. The bottom level in 1970 with 11.5 percent was the worst election in the party's history. This year the Conservatives got more than 20 percent. Here as well long-term factors of explanation must be teamed with short-term ones. The Conservatives have been favored by the fact that this year's election campaign revolved among other things around some of the party's central issues: taxes, houses, schools and so on.

One experience gained from the studies of voters by political scientists is that mobility among voters is considerably greater than the net losses arrived at by comparing one election result with the immediately preceding one. In the 1976 election one out of 5 voters changed parties despite the fact that the total relationship of strength of the parties changed very moderately. To predict as early as now the direction of all currents of party changes is impossible; the answer will eventually be supplied by the election study which this year is headed by Soren Holmberg in Gothenburg.

Nevertheless, one can dare make certain speculations. A large group of voters switched from the Center Party to the Conservatives, of course. But shifts were also to some extent caused by the fact that Center Party voters switched to the Liberal Party, which in turn lost voters to the Conservatives.

We know of old that there is great mobility within the bourgeois bloc. There is a not inconsiderable group of voters who are certain that they dislike the Social Democrats, to be sure, but who are all the more uncertain of precisely which one of the bourgeois parties they should vote for. They often seem to vote for the party which at that moment seems to be the leading one in the bourgeois bloc. At the beginning of the 1970's it was the Center Party, last winter the Liberal Party and now apparently it is the Conservative Party.

## Disadvantage

The crossover votes so important to the parliamentary situation went to the disadvantage of the bourgeois bloc this year. In all probability rather large currents went in both directions, but the Social Democrats ought to have made a net gain at the expense of the Center Party, that is to say exactly the opposite with respect to the changes 3 years ago. Despite a smaller siphoning off to the APK [Labor Party-Communists] the VPK probably won most of its votes from the Social Democrats, some from first time voters and possibly a few from the Center Party.

The 1979 election was thus characterized by a big victory for the Conservatives. The long-term decline of the Center Party was clearly marked. The row of losses for the Social Democrats has been broken.

The bourgeois bloc increased its share of votes in the 1970, 1973 and 1976 elections. This year the wind turned to the left. The absentee ballots may perhaps in the end lead to a narrow bourgeois majority in Parliament. The Social Democrats and the VPK increased their combined share of the votes, even though perhaps they will fall short of reaching their goal.

11949

CSO: 3109

## MAJOR CHALLENGE FOR CONSERVATIVES STILL AHEAD

Stockholm DAGENS NYHETER in Swedish 19 Sep 79 p 2

[Editorial: "Victory Without Sweetness"]

[Text] The nearly five percent increase in votes for the Conservative Party is the most remarkable thing that has happened in the election. As late as this spring it seemed as if the Center Party losses anticipated by everyone would primarily benefit the Liberal Party, which Center Party voters usually indicate as the next best party. What has happened?

Gosta Bohman is the same as before. His personal attitude cannot explain the large Conservative vote gains in an election in which there was much in favor of Ola Ullsten and the Liberal Party as well. The Conservative election campaign in itself has had greater importance. The note of it was sharper, more purposeful, more ideologically profiled than in any Conservative campaign since the end of the fifties.

Party secretary Lars Tobisson commented on the election campaign in an interview the evening of the election:

"Previously in the 1970's we deliberately lay low in the election campaigns. We deliberately sacrificed ourselves for the united bourgeois group. But now the situation was different. Now the entire bourgeois bloc has been in the government. There was no reason for us to lie low, to be restrained in our policies."

Tobisson points to something essential. The situation of the Conservatives was altered through the three-party government. They were accepted as a partner with equal rights in a cooperation with the center parties, they were included in a community and became generally accepted by the bourgeois. With that a psychological barrier to voting for the Conservatives was removed. And when the party no longer ran the risk of appearing extreme in the eyes of bourgeois voters there were no longer the same reasons as before to lie low and act cautiously. With its own participation in the three-party government as a backdrop the party was able to take the offensive and go full speed ahead.

The Conservatives have worked long and patiently in order to reach this favorable situation in which the party would finally be able to convey its message with full force. During all of the 1960's the party was isolated, driven out. People talked about "the dark blue ones." Liberal Party and Center Party leaders refused to allow pictures of themselves together with the Conservative leader. A center alliance was created with the express intent of forming a barrier against the Conservative influence.

The attitude toward the Conservatives softened slightly at the beginning of the 1970's, when Thorbjorn Falldin had succeeded Gunnar Hedlund. But not until the three-party government was the isolation of the Conservatives broken in earnest. At that time all the talk about the "center" suddenly ceased.

The Center Party and the Liberal Party have nailed together the platform from which the Conservatives beat them in the election. Bohman can scarcely have won over more than a few individual voters from the Social Democrats. The Conservative crusade against socialism, against the public sector, against taxes, against Olof Palme, did not increase the bourgeois share of the voters. From the viewpoint of election policy the campaign was directed against the Center Party and the Liberal Party. The Conservatives formulated a policy and a message which impresses already secure bourgeois voters. The Center Party and Liberal Party did not seriously enter into competition with the Conservatives in this respect. They devoted themselves to something else, that is to say competition for voters in the layer adjoining the Social Democrats.

Large Conservative wins seldom gave the Conservative voters much pleasure. Since introduction of the right to vote the party has won large victories on two occasions, 1925 and 1958. The elections immediately afterwards in both cases turned out to be great victories for the Social Democrats. The 1930's was the period of breakthrough for the Social Democrats. Two years after the 1958 pension election, in which the Conservative Party became the largest bourgeois party with 20 percent of the electorate, Tage Erlander won his first big victory in a parliamentary election. When the Conservatives triumphed, Social Democracy signed a contract of trust with the wage earners for a long time to come.

There is an eerily familiar pattern to what has now happened. Through their very mobility the general bourgeois voters once more made difficult what they desire above all else: a joint bourgeois alternative. To the center parties the Conservative success is a shock. In the future each step they take will be affected by the fear of losing additional votes to the right in the election that would come long before 3 years have passed.

"There has been no reason for us to lie low, to be restrained in our policy," Lars Gohlsson says. Yes, if the Conservative Party had looked at more than their own election win and further than the day of election there would have been reason for that.

11247  
CSO: 3109

## EASTERNERS STRIVE TO ESTABLISH NEW PARTY

Istanbul HURRIYET in Turkish 18 Sep 79 pp 1, 8

[Article by Saygi Ozturk]

[Text] Ankara (HURRIYET) -- Efforts in the eastern and southeastern Anatolian provinces to form a political party bringing together legal and illegal organizations will be expanded nationwide, it was announced. Diyarbakir Mayor Mehdi Zana, who pointed out that their goal in forming the party was to make their influence in Turkish political life felt in a more direct way, said, "We want to free the Turkish left from its present disorganized state."

A lot of eastern parliamentarians of various parties are said to be participating in the efforts to form the new party.

However, the Apolists are seen to be opposed to the idea of a legal party and are mounting an effort to prevent "consolidation."

What Does Mehdi Zana Say?

Diyarbakir Mayor Mehdi Zana, in an interview on the subject, said:

"We intend to establish a new political party. What we have in mind is to rescue the Turkish left from its present state of disorganization and bring it together. We have talked with our friends and undertaken an effort to consolidate leftist activity. We have talked this over in meetings and gatherings in various places. We are now working on the preliminary preparations for the party."

When asked if the party would be an eastern-oriented party, Mehdi Zana replied, "No, let me say emphatically that the party we have in mind will not be limited to the eastern and southeastern Anatolian area alone. This party will be a socialist party active throughout Turkey."

Pointing out that there was no definite decision yet as to where the party headquarters would be or what name it would have, Diyarbakir Mayor Mehdi Zana said, "However, our goal is for the party to be active throughout Turkey, and the headquarters definitely will not be Diyarbakir."

#### Who Is Mehdi Zana?

The leader of this effort, which is termed "extremely interesting" by political circles in the capital, Mehdi Zana, was born in 1942 in Silvan District, Diyarbakir. Zana, who is recognized as the most influential leader in the eastern region today, completed his primary education in Silvan. He later spent many years as a tailor. Zana is married and the father of one child. He ran as an independent for mayor of Diyarbakir in 1977 and was elected.

R349

CSO: 4907



NEW BILL WOULD REDUCE PERIOD OF MILITARY SERVICE

Istanbul MILLIYET in Turkish 24 Sep 79 p 1

[Text] Ankara (Ankara News Agency) -- Preparation has begun of a bill to reduce the period of military service.

The work of the committee assigned to prepare the bill reportedly will be completed by the first of the month.

It is said that the major principles of the bill have not yet been decided upon and that how much the period will be reduced for enlisted men and reserve officers will be worked out by the first of the month. The bill now under preparation will reportedly take final shape in a meeting to be held in November by military experts and upper-grade generals. National Defense Minister Neset Akmanlıoğlu said that efforts in connection with the period of military service were in progress and that he expected them to be completed soon. "Work on this matter is in progress and I expect the bill to be put into final form in a meeting which will be held in November following completion of the necessary studies," he said.

8349

CSO: 4907

## DEMIREL REASSERTS DESIRE FOR CONSTITUTIONAL, ELECTORAL CHANGE

Istanbul CUMHURİYET in Turkish 24 Sep 79 p 6

[Article by Engin Karadeniz]

[Text] Ankara (CUMHURİYET Bureau) -- The JP [Justice Party] General Chairman, talking with journalists on the campaign bus night before last at the conclusion of his tour of Samsun, Amasya, Tokat and Yozgat, said, "In our opinion, we cannot get anywhere with this election system. Turkey cannot achieve stability with this electoral system. Turkey needs a new electoral system just as it needs a new constitution."

## Quite Upset

The Supreme Electoral Council's latest decision on the promulgation of propaganda which was on the 7:00 news pretty much upset Demirel:

"This is pure censorship. It is censorship. Now the Supreme Electoral Council is trying to dictate what a person can say. Anticonstitutional things are said every day. Propaganda about the class struggle in Turkey is heard on the radio everyday; no one speaks out against that. Six times a day, there is the totally Marxist propaganda by the party that calls itself socialist. Is Marxist propaganda constitutional? I cannot understand what they are trying to prevent. Who will determine whether the text of that statement is constitutional or not? It is an extremely interesting development going into the elections to have what everybody will say pass through the same place. I am saying quite plainly that I find such a practice extremely odd. That is, now we are supposed to write a speech, take it to the judges over there, and they will look at it. They say it is constitutional and we give the speech, they say it is not and we don't. What kind of a thing is that? In other words, freedom by permit. There is no such thing."

## Sukan's Resignation

Asked whether Faruk Sukan "resigned because he could get no results despite giving the corruption files to the government," Demirel gave the extremely restrained reply:

"I have no comment on the statement made by Mr Sukan. In any case, the public will evaluate what is said by a person who has been deputy prime minister for 21 months. There is no need for me to comment."

#### Interim Regime Proposals

When asked about the "interim regime proposals" made by quota Senator Husamettin Celebi during a tour he made on behalf of a newspaper, Demirel passed it off by answering:

"I am calling the people of Turkey to the ballot box. I am saying, 'Come, do your duty.' That is my duty. I do not know who is calling for an interim regime."

The JP General Chairman has a spiel on the "oil" problem and repeats it everywhere. It rained in Akdag. While the apple trees were washed with rain, two lazy dogs curled up to sleep. And while the sacrificial lambs squirmed, Demirel lined up his pearls:

"We will be rich somehow, but peace is necessary first...They say we left a 12.5 billion-lira debt. I wish it had been 100 billion. We would have got the country in perfect shape. We would have paid our debt... We do not cheat anyone... Don't divide your votes. If you break this pen into five parts, you cannot write... Let us find two in Yozgat, I want two senators... They brought the country to this state for no reason. If you have bought a container of oil, have them write 'millionaire' on your hat."

8349

CSO: 4907

## COLUMNIST SCORES GOVERNMENT FOR FOOD SHORTAGES

Istanbul MILLIYET in Turkish 20 Sep 79 p 2

[Column by Burhan Felek: "A Government Should Feed Its Own People First"]

[Text] I don't know about other cities, but in Istanbul recently very few people have been able to eat animal protein, that is, meat. Ground meat has gone up to 200 liras per kilo at the good butcher shops. The Meat and Fish Association which has long provided meat at low prices to the poor and needy has not provided any meat in recent weeks.

The institution's officials whom we contacted say that they have had no beef lately and that, if possible, they will be able to provide mutton for the people after a while. They also report that the Zeytinburnu Combine which slaughters tons of meat every day is doing no slaughtering.

Several years ago, I took a trip to Bulgaria. In Varna, I stayed at a modest motel called the Journalists' Center. Newspaper correspondents from many communist and leftist nations stayed there. The Russians sat in a large group at a special table where they held a rather privileged position. For dinner, they were given a salad, some fruit and a meat dish in the middle of the table. I did not like the meat dishes except for the grilled meatballs, because the cuts could not be identified. But, at least there was meat. It just happened that the cook was a Komotini Greek. He had fled there in his youth and had learned the chef's trade. Sometimes he cooked beautiful meals. I talked with him occasionally since he spoke Turkish. When I asked him where the meat came from, he said:

"I don't know, but it's meat!"

Today, Turkey has come to the state of depriving its own people in order to sell meat and animals abroad. This is a big mistake. People take their strength and well-being from the protein they get. And governments are obligated to feed their own people first. Whereas we are doing the complete opposite of this today.

With everything, even wheat, being sold for more than the official price, the Turkish government is giving no thought to the people's need for protein but is plainly ignoring it. People, young and old, need protein to attain fully their mental and physical potential. Our medical experts remind us of this every day on radio and television. Is the government listening, I wonder?

We once went to Israel a long time ago. They put us in a beautiful hotel. They had wonderful food, but when we noticed that they served little, stunted oranges in Israel, which is an orange-growing country, and asked about it, they said:

"We export the best and eat the poor ones ourselves!"

But bad or good, still there were oranges. If they don't give us meat, can't they give us the entrails? Impossible! That is more expensive -- because it is used for hors d'oeuvres. Then what about fish? Impossible! I think a bonito, which may come to a half kilo, sells for 200 liras. If only fish were cheap. Impossible! Because fish are what the taverns and nightclubs are looking for. In this country which has thousands of miles of coastline and looks on the sea on three sides, we cannot eat fish. They say anchovies are disappearing from the Black Sea.

Lord, what is this misfortune which has befallen us? As long as you are protecting us from the evil intentions of enemies, protect us from harm by the ignorance and bumbling of well-meaning friends!

Yes, the dear government! The government has an obligation to feed its own people first. You are even managing to neglect this duty. God have mercy on you!

8349

CSO: 4907

## 'GUNAYDIN' STATISTICS ON ANARCHISTIC INCIDENTS

Istanbul GUNAYDIN in Turkish 26 Sep 79 pp 1, 4

[Table showing deaths resulting from incidents of anarchy in 21 months since Ecevit government took office.]

[Text]

## Anarchy Table

Province	Number Dead	Province	Number Dead	Province	Number Dead
Istanbul .....	417	Ordu .....	21	Afyon .....	4
Adana .....	197	Denizli .....	17	Amasya .....	4
Ankara .....	190	Giresun .....	15	Canakkale .....	4
Gaziantep .....	137	Eskisehir .....	14	Isparta .....	4
K. Maras .....	130	Tunceli .....	14	Zonguldak .....	4
Urfa .....	102	Bingol .....	14	Van .....	3
Elazig .....	65	Erzincan .....	13	Rize .....	3
Diyarbakir .....	56	Sivas .....	12	Kirsehir .....	3
Samsun .....	55	Tokat .....	12	Burdur .....	2
Antalya .....	51	Aydin .....	12	Hakkari .....	2
Malatya .....	47	Kocaeli .....	10	Kastamonu .....	2
Icel .....	44	Uzak .....	10	Nevsehir .....	2
Kars .....	40	Nigde .....	9	Yozgat .....	1
Izmir .....	37	Bolu .....	9	Mugla .....	1
Manisa .....	32	Adiyaman .....	8	Kutahya .....	1
Trabzon .....	27	Artvin .....	8	Kirklareli .....	1
Hatay .....	27	Erzurum .....	8	Gumushane .....	1
Sirt .....	25	Mus .....	7	Cankiri .....	1
Bursa .....	23	Corum .....	7	Bitlis .....	None
Mardin .....	23	Tekirdag .....	6	Bilecik .....	None
Konya .....	22	Sakarya .....	5	Sinop .....	None
Kayseri .....	22	Edirne .....	5		
Balikesir .....	22	Agri .....	5	Total .....	2,064



## ALP OPPOSES WORKER PARTICIPATION IN MANAGEMENT

Istanbul MILLIYET in Turkish 22 Sep 79 p 8

[Text] Ankara, Special -- It has been learned that during a meeting of the Council of Ministers which lasted into the late night hours two days ago, Minister of Industry and Technology Orhan Alp, without presentation of a rationale, came out against worker participation in management and that he told Prime Minister Ecevit, "This job cannot be carried out by workers. A manager from a worker is impossible. Participation in management is communistic." Alp said that he would not put his signature on the directive.

Meanwhile, Ecevit read Faruk Sukan's letter of resignation. Mostly the RPP ministers then took the floor one by one and said that Sukan's resignation was a ploy against the government and that his resignation on the eve of the elections was designed to destroy government morale.

Reconstruction and Resettlement Minister Ahmet Karaaslan, whose resignation following Sukan's is rumored, said, "Mr Sukan should not have done this," and he asked that a number of matters not be made the subject of dispute at this time when Assembly arithmetic is so critical.

Following the statements by the RPP ministers and the independent Karaaslan on Sukan's resignation, they said that the government would stand.

A technical committee on worker participation in management began work yesterday.

8349

CSO: 4907

## SUKAN RESURRECTS LOCKHEED SCANDAL

Istanbul CUMHURIYET in Turkish 21 Sep 79 pp 1, 11

[Text] Ankara (CUMHURIYET Bureau) -- Minister of State and Deputy Prime Minister Faruk Sukan who left his position in the government yesterday made known his views on the Lockheed scandal in a 13-page statement which he released to the press along with his resignation. Sukan implicated then Prime Minister Suleyman Demirel, Defense Minister Ferit Melen, Chief of the General Staff Semih Sancar and General Staff Military Prosecutor Ilhan Sener.

Sukan said in his statement that then Prime Minister Suleyman Demirel had ignored international agreements and blocked the conveyance to Turkey of documents which would be useful in clarifying the incident and that in accordance with Article 240 of the Penal Code, a parliamentary inquiry should be opened in the matter in order to prosecute.

## Melen Accused

Faruk Sukan said that Ferit Melen, who was minister of national defense at the time of the incident, had made untrue statements, and he expressed the following views:

"The national defense minister announced that Turkish officials had no relations with the Lockheed company. The opposite is true. The National Defense Ministry announced that there was no connection between the Altay Company and the competent military departments. The opposite is true. The National Defense Ministry did not send the documents requested by the Assembly's Research Committee. For this reason, a parliamentary inquiry must be opened concerning Ferit Melen so that he may answer for his crimes."

Faruk Sukan said that the failure of the chief of the general staff and general staff military prosecutor to send the documents requested by the Assembly Research Committee had prevented the National Assembly from performing its constitutional duty. "While the Prime Ministry and Prime Minister Suleyman Demirel ought to have taken the above matter in hand, they share the criminal responsibility by having done nothing," he said.

Pointing out that he had done a lot of work on the Lockheed scandal since the government was formed, Sukan said that as a result of his work, the agreement signed between the United States and the Turkish Justice Ministry had been reactivated.

Sukan said that following reactivation of the agreement, the flow of documents from the United States had been stepped up and the documents had begun to be turned over to the office of the Ankara Republic Prosecutor.

According to the information Sukan gave, documents from Lockheed's files are being turned over in an orderly way to our Washington embassy, measures are being taken in full accordance with the related provisions of the agreement to allow no opportunity for the document transferral to be stopped again and the documents are being forwarded from the Foreign Ministry to the Justice Ministry and from there to the office of the Republic Prosecutor.

8349

CS01 4907

## THY, OLYMPIC AIRWAYS SUPPORT NEW AEGEAN AIRSPACE TALKS

Istanbul MILLIYET in Turkish 22 Sep 79 p 4

[Article by Mustafa Gursel]

Athens -- The Turkish Airlines [THY] board of directors' delegation which came to Athens for talks with the Greek Olympic Airways completed their discussions yesterday and left Athens.

It was announced in the joint communique released after the talks that the talks had been useful and that it had been decided to maintain contact. According to the information given, the Olympic Airways board of directors will go to Istanbul in the near future.

It was announced in the joint communique also that the two airline companies were in agreement on supporting the talks which were initiated between the Turkish and Greek Governments with the goal of resuming suspended civil aviation over the Aegean.

However, no concrete results have been attained in the meetings. THY proposed that the G-12 corridor between Salonika and Istanbul be opened and that the two airlines establish a flight link between the two nations using this corridor while the political talks on the Aegean are in progress. Greece, however, rejected the opening of the G-12 corridor until a form of solution is found to include all of the Aegean.

The Aegean was closed to civil aviation as the result of reciprocal notes published by Turkey and Greece following the Cyprus events of 1974. One of the corridors which was closed was the G-12 corridor which links Salonika and Istanbul. Many international airlines have indicated that they would start flights between Turkey and Greece if this corridor were opened. However, the corridor remains closed because of the Greek side's tough, unyielding attitude on the matter.

The Turkish delegation participating in the talks was headed by THY Board Chairman Riza Cercel. Other members of the delegation were Assistant Board Chairman Adnan Erbas, member Mehmet Isvan, Deputy Director General Ahmet Turan Yokel and Ertan Tezgar, an expert from the Foreign Ministry Office of Maritime and Aviation Problems.

Because the only flight between Turkey and Greece is on Wednesdays, the Turkish delegation returned to Istanbul yesterday on a flight via Zurich.

8349

CSO: 4907

END

**END OF**

**FICHE**

**DATE FILMED**

30 OCT. '79

MAK